

M E M O R A N D U M

October 18, 1984

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: STEPHEN F. COYLE, DIRECTOR

SUBJECT: BOYLSTON BUILDING PROJECT/CHINA TRADE CENTER
URBAN DEVELOPMENT ACTION GRANT NO. B-81-AA--25-0075

SUMMARY: This memorandum requests that the Authority authorize the Director to execute a new Transfer Agreement with the City of Boston and a new Project Loan Agreement with the developers of the Boylston Building Project/China Trade Center in accordance with the terms and conditions of UDAG NO. B-81-AA-25-0075 as amended and/or revised.

On December 8, 1983, the Authority by appropriate vote authorized the Director to execute respectively a Transfer Agreement and a Project Loan Agreement for the project. At that time, the total project budget was \$10,600,000 which included financing from two public sources, an Economic Development Administration (EDA) grant of \$2,000,000 and an Urban Development Action Grant (UDAG) loan of \$1,103,000. The developers of the project were and remain the Chinese Economic Development Council, Inc. (CEDC) and the Boylston Development Group Limited Partnership (BDG).

In April, 1984, when the project was near closing, EDA withdrew its grant commitment. As a result the developers were forced to restructure the financing package in order to replace this grant. After many months of negotiations, the developers secured the required commitments for the new financing package. Presently, the total project budget is \$11,000,000 which includes in addition to the UDAG loan, industrial revenue bond financing through the Massachusetts Industrial Finance Agency of \$4,800,000 to be purchased by the Chemical Bank, a Department of Housing and Urban Development Section 108 loan of \$1,800,000 through the City of Boston and the Boston Industrial Finance Agency, and equity of \$3,150,000 to be provided by BDG from syndicated proceeds. In addition, the Neighborhood Development and Employment Agency has committed to provide a debt service guarantee loan of \$597,000 to be drawn down if needed.

It is anticipated that the project financing will be closed on or about October 25, 1984 and in order to proceed with this schedule it is recommended that the Director be authorized to execute a new Transfer Agreement with the City of Boston and a new Project Loan Agreement with both CEDC and BDG.

TRANSFER AGREEMENT BETWEEN
CITY OF BOSTON AND
BOSTON REDEVELOPMENT AUTHORITY

An appropriate vote follows which would supersede and replace in its entirety the prior vote of the Authority taken on December 8, 1983.

VOTED: That the Director of the Authority be and hereby is authorized, in accordance with the terms and conditions of a certain Urban Development Action Grant No. B-8-AA-25-0075 as amended and/or revised, to execute and deliver on behalf of the Boston Redevelopment Authority a Transfer Agreement with the City of Boston and a Project Loan Agreement with the Chinese Economic Development Council, Inc. and the Boylston Development Group Limited Partnership, both in substantially the form as attached hereto with such changes as the Director in his sole discretion may deem necessary and appropriate.

The City of Boston, hereinafter referred to as the "City", under Section 1 of the City Charter (Public Law 92-245) and the City of Boston Redevelopment Authority, hereinafter referred to as the "Authority", on December 13, 1983, entered into a Transfer Agreement with the United States Department of Housing and Urban Development ("HUD") and the City, and \$1,125,000 (the "Grant Funds") shall be transferred by the City to the BBA for administration. The BBA in turn shall make up to \$1,103,300 of the Grant Funds available to the Chinese Economic Development Council, Inc., a non-profit corporation organized under Chapter 150 of the Massachusetts General Laws ("CEDC") in connection with a program to create new employment opportunities and rehabilitate the building owned by CEDC and leased by Boylston Development Group Limited Partnership, a Massachusetts limited partnership ("BDG"), at 531-537 Washington Street and 2-52 Boylston Street, Boston (the "Project"), as more particularly described in the UDAAG Application submitted by the City to HUD, dated April 30, 1981 and by all subsequent amendments to HUD incorporated by reference in the Grant Agreement (collectively the "Application"). For this purpose the BBA shall enter into an agreement (the "Project Loan Agreement") with CEDC and BDG pursuant to which the BBA shall loan \$1,103,300 (the "Loan") for those eligible costs specified in Exhibits B, C and D of the Grant Agreement. This Transfer Agreement is intended to govern the terms and conditions under which the City shall advance Grant Funds to the BBA for the satisfaction of the purposes set forth in the Grant Agreement.

In consideration of the mutual promises contained in this Agreement and for other good and valuable consideration, the receipt of which is hereby acknowledged, the City and the BBA agree as follows:

Section 1. Project Services by BBA

The BBA shall provide such services as are necessary or desirable to cause the Project to be completed and operated by CEDC and BDG in accordance with the terms of the Application and the Grant Agreement, and shall fulfill all of the obligations of the City under the Grant Agreement with respect to such completion and operation of the Project, in accordance with

TRANSFER AGREEMENT BETWEEN
CITY OF BOSTON AND
BOSTON REDEVELOPMENT AUTHORITY

Agreement made of this day of October, 1984, by and between the CITY OF BOSTON, a Massachusetts municipal corporation (the "City") and the BOSTON REDEVELOPMENT AUTHORITY, a public body politic and corporate organized under Chapter 121B of the Massachusetts General Laws (the "BRA").

PRELIMINARY STATEMENT

The City has received funding approval in the amount of \$1,113,000 under Section 119 of the Housing and Community Development Act of 1974 (Public Law 93-383), as amended, which authorized the Urban Development Action Grant ("UDAG") program to assist distressed cities in revitalizing their economic bases and reclaiming deteriorated neighborhoods. Pursuant to the terms of the UDAG Revised Grant Agreement, accepted by the City on December 19, 1983, the First Amendment thereto, accepted by the City on December 27, 1983, and any and all subsequent amendments or revisions thereto accepted by the City (collectively the "Grant Agreement") between the United States Department of Housing and Urban Development ("HUD") and the City, said \$1,113,000 (the "Grant Funds") shall be transferred by the City to the BRA for administration. The BRA in turn shall make up to \$1,103,000 of the Grant Funds available to the Chinese Economic Development Council, Inc., a non-profit corporation organized under Chapter 180 of the Massachusetts General Laws ("CEDC") in connection with a program to create new employment opportunities and rehabilitate the building owned by CEDC and leased by Boylston Development Group Limited Partnership, a Massachusetts limited partnership ("BDG"), at 651-657 Washington Street and 2-22 Boylston Street, Boston (the "Project"), as more particularly described in the UDAG Application submitted by the City to HUD, dated April 30, 1981 and by all subsequent submittals to HUD incorporated by reference in the Grant Agreement (collectively the "Application") For this purpose the BRA shall enter into an agreement (the "Project Loan Agreement") with CEDC and BDG pursuant to which the BRA shall loan \$1,103,000 (the "Loan") for those eligible costs specified in Exhibits B, C and D of the Grant Agreement. This Transfer Agreement is intended to govern the terms and conditions under which the City shall advance Grant Funds to the BRA for the satisfaction of the purposes set forth in the Grant Agreement.

In consideration of the mutual promises contained in this Agreement and for other good and valuable consideration, the receipt of which is hereby acknowledged, the City and the BRA agree as follows:

Section 1. Project Services by BRA

The BRA shall provide such services as are necessary or desirable to cause the Project to be completed and operated by CEDC and BDG in accordance with the terms of the Application and the Grant Agreement, and shall fulfill all of the obligations of the City under the Grant Agreement with respect to such completion and operation of the Project. In accordance with

Section 9.05 of the Grant Agreement, the BRA acknowledges that HUD, in selecting the City for the award of the Grant Funds, relied in material part on the assured completion of the Project, and the BRA assures the City that all activities to be undertaken by the BRA as a "Participating Party" under the Grant Agreement will be completed. The BRA acknowledges further that it is subject to the conflict of interest provision (24 CFR §570.611) referred to in Exhibit A, Rider to Section 9.13, and as required thereby shall include in all contracts with other Participating Parties a conflict of interest provision consistent therewith.

Section 2. Job Creation and Sub-Lease Requirements

The BRA shall use its best efforts to cause to be created the number and kinds of jobs in connection with the Project as are required by Exhibit A, Rider to Sections 5.03 and 9.06 of the Grant Agreement, and to enforce the undertakings and assurances by CEDC and BDG respecting the creation of such jobs, including but not limited to their compliance with the terms of the Executive Orders of the Mayor of the City of Boston dated June 28, 1978, and September 11, 1979, and to enforce the obligation of CEDC and BDG under Exhibit E, IV, (a) (3) to use their best efforts to ensure that renovated office and retail space in the Project is sub-leased to neighborhood minority-owned businesses and/or firms employing minority employees.

Section 3. Project Loan Agreement with CEDC and BDG

Upon the execution and delivery of this Transfer Agreement, the BRA shall enter into the Project Loan Agreement with CEDC and BDG which shall set forth the terms and conditions for the Loan of the Grant Funds to CEDC, in accordance with the Grant Agreement.

Section 4. Transfer of UDAG Grant Funds

a. Requests for Advances. Upon submission by CEDC and BDG of requisitions for advances of Loan funds in proper form, for reimbursement of project development costs, the BRA shall transmit such requisitions, together with such certifications and evidence of eligible Project costs as are required by HUD and the United States Department of Treasury, to the City. The City shall thereupon transmit to the Department of the Treasury a request for drawdown of Grant Funds in the amount requisitioned. Upon receipt of said Grant Funds, the City shall transfer the same to the BRA for disbursement to CEDC pursuant to the Project Loan Agreement.

b. BRA Administrative Costs. The BRA shall transmit to the City requisitions for payment of its administrative costs in connection with the Project in an amount not to exceed the sum set forth in Exhibit E, III, (a) (3) of the Grant Agreement, together with such certifications and evidence of eligible Project costs incurred or paid as are required by HUD and the United States Department of the Treasury. The City shall thereupon transmit to the Department of the Treasury a request for drawdown of Grant Funds in the amount requisitioned. Upon receipt of the said Grant Funds, the City shall transfer the same to the BRA.

Section 5. Records and Reports to HUD

a. Project Records. The BRA shall keep and maintain such books, records, and other documents as are required by Section 6.01(a) of the Grant Agreement, and shall make the same available at all reasonable times for inspection, copying, audit, and examination by the City and, in accordance with Section 6.01(b) of the Grant Agreement, to HUD or the Comptroller General of the United States.

b. Reports to HUD. The BRA shall furnish to HUD all reports required to be filed in accordance with Section 6.04 of the Grant Agreement, and may require CEDC and BDG to cooperate in the preparation of such reports.

Section 6. Use of Program Income

All Program Income, as that term is defined in Section 1.03(13) of the Grant Agreement, shall be received by the BRA and used only for community and economic development activities in accordance with Exhibit A, Rider to Sections 2.04, 9.01, 9.02 and 9.03 of the Grant Agreement which would be eligible for assistance under Title I of the Housing and Community Development Act of 1974, Pub. L. No. 93-383, as amended, and the City hereby exercises the option available to it under Section 9.03 of the Grant Agreement in order to effectuate this provision. The BRA shall furnish to HUD all annual reports with respect to Program Income which are required by Exhibit A of the Grant Agreement.

Section 7. Incorporation of Grant Agreement Provisions

The BRA shall comply with all provisions not already specifically referred to herein, of Article IX, THIRD PARTY CONTRACT REQUIREMENTS, of the Grant Agreement, all of the provisions of which are incorporated herein by reference as if fully set forth herein in the form required pursuant to said Article IX and with the same force and effect as if the BRA expressly obligated itself hereunder to perform all obligations required of "Participating Parties" (as defined in the Grant Agreement) set forth in said Article IX. The BRA further agrees that in administering the use of the Grant Funds it will require compliance by CEDC and BDG with all said provisions of said Article IX and with all applicable terms and conditions of the Grant Agreement and the HUD Community Development Block Grant Program.

Section 8. Assignment

The BRA shall not assign or in any way transfer its interest or rights in this Agreement without the prior written consent of the City.

Section 9. Notices

Any notice or other communication required or permitted hereunder shall be deemed satisfactorily given upon depositing the same in writing in the United States mail by postage prepaid, registered or certified mail, addressed (i) if to the City, c/o the Mayor, City Hall, Boston, Massachusetts 02201, (ii) if to BRA, c/o Director, Boston Redevelopment Authority, City Hall, Boston, Massachusetts 02201, or at such other address as the City or the BRA may designate in writing.

Section 10. Severability

Each and every covenant and agreement contained in this Agreement is and shall be construed to be a separate and independent covenant and agreement. If any term or provision of this Agreement or the application thereof to any person or circumstances shall to any extent be invalid and unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby, and each term and provision of this Agreement shall be valid and shall be enforced to the extent permitted by law.

Section 11. Amendment

The Agreement may be amended only by a written agreement executed by the City and the BRA.

IN WITNESS WHEREOF, the parties hereto have caused their respective duly authorized officers to execute this Agreement as of the date first above written.

ATTEST:

CITY OF BOSTON

By _____

Raymond L. Flynn, Mayor

ATTEST:

BOSTON REDEVELOPMENT AUTHORITY

By _____

Stephen Coyle, Director

APPROVED AS TO FORM

APPROVED AS TO FORM

Corporation Counsel
City of Boston

Chief General Counsel
Boston Redevelopment Authority

PROJECT LOAN AGREEMENT

Project Loan Agreement, dated as of October ____, 1984 (this "Agreement"), by and among the BOSTON REDEVELOPMENT AUTHORITY, a public body politic and corporate organized under Chapter 121B of the Massachusetts General Laws, as amended (the "BRA"); CHINESE ECONOMIC DEVELOPMENT COUNCIL, INC., a non-profit corporation organized under the laws of the Commonwealth of Massachusetts ("CEDC"); and BOYLSTON DEVELOPMENT GROUP LIMITED PARTNERSHIP, a Massachusetts limited partnership ("BDG").

PRELIMINARY STATEMENT

The City of Boston, Massachusetts (the "City") has received funding approval in the amount of One Million One Hundred Thirteen Thousand Dollars (\$1,113,000) under Section 119 of the Housing and Community Development Act of 1974 (Public Law 93-383), as amended which authorized the Urban Development Action Grant ("UDAG") program. The City has accordingly entered into that certain UDAG Grant Agreement, dated December 19, 1983, a First Amendment thereto dated December 27, 1983, and a Second Amendment thereto, dated ____, 1984 (collectively called the "Grant Agreement"), with the United States Department of Housing and Urban Development ("HUD"), pursuant to which HUD will advance the UDAG grant funds (the "Grant Funds") to the City. The City has further entered into an agreement (the "Transfer Agreement"), pursuant to which the City will transfer the Grant Funds for administrative purposes to the BRA, which will in turn lend One Million One Hundred Three Thousand Dollars (\$1,103,000) of the Grant Funds to CEDC for the purposes set forth in this Agreement.

In order to create new employment opportunities in the City, CEDC and BDG will utilize the Grant Funds loaned by the BRA in a program to rehabilitate the building owned by BDG (the "Building") located on land owned by CEDC and leased to BDG at 651-657 Washington Street and 2-22 Boylston Street, Boston, Massachusetts (the "Land"). CEDC and BDG will expend at least Eleven Million Dollars (\$11,000,000) (the "Budgeted Project Cost") for the Project, as such term is hereinafter defined, including approximately Three Million Nine Hundred Sixty Thousand Dollars (\$3,900,000) for direct construction costs and approximately Seven Million Forty Thousand Dollars (\$7,100,000) for other costs (including the cost of Tenant Finish Work, as such term is hereinafter defined), of which One Million One Hundred Three Thousand Dollars (\$1,103,000) will be reimbursed by the loan of the Grant Funds to CEDC at a ratio of One and No/100 Dollar (\$1.00) for every Four and Sixty-Eight/100

Dollars (\$4.68) of Eligible Project Costs, as such term is hereinafter defined. It is anticipated that at least three hundred (300) new permanent jobs will be created as a result of the Project, and special provision will be made for employment of Boston residents, minorities, and women.

In consideration of the foregoing, the BRA, CEDC and BDG hereby agree as follows:

1. DEFINITIONS

For purposes of this Agreement, the following terms shall have the meanings ascribed to them below:

(a) The "Architect" shall mean Boston Architectural Team, Inc., having an address at 184 High Street, Boston, Massachusetts 02110, or another architect designated by BDG (or its successors), subject to the reasonable approval of CEDC and the BRA.

(b) "Completion of the Project" shall mean the substantial completion of the Project Improvements, as such term is hereinafter defined, at a cost of no less than the sum required to be expended pursuant to Section 2(b) of this Agreement, so as to make the Project Improvements ready for use for the purposes set forth in this Agreement, except for incomplete items which do not materially interfere with the use of the Project Improvements for such purposes and items awaiting seasonable opportunity to complete, as certified in writing to the BRA by the Architect.

(c) "Completion Date" of the Project Improvements, as such term is hereinafter defined, shall mean January 16, 1986, as the same may be extended pursuant to the provisions of Section 20(d).

(d) The "Credit Institutions" shall mean FNB, as such term is hereinafter defined, Shawmut Bank of Boston, N.A., The Provident Institution for Savings, Newworld Bank, and any other financial institution issuing a letter of credit securing the IRB, as such term is hereinafter defined.

(e) "Eligible Project Costs" shall mean those costs for the Project Improvements set forth in Exhibit A hereto.

(f) "FNB" shall mean The First National Bank of Boston.

(g) The "Improvements" or "Project Improvements" shall mean the reconstruction, rehabilitation, furnishing, and equipping of the core and shell of the Building, as described in the plans and specifications prepared by the Architect and set forth in Exhibit B hereto (the "Plans").

(h) The "Loan" shall mean the loan by the BRA to CEDC of the sum of One Million One Hundred Three Thousand Dollars (\$1,103,000) of the Grant Funds pursuant to Section 4 of this Agreement.

(i) The "Ground Lease" shall mean the Ground Lease, dated _____, 1984, between CEDC, as landlord, and the Boston Industrial Development Financing Authority ("BIDFA"), as tenant, for the Land, which Ground Lease has been assigned to BDG pursuant to an Assignment and Assumption of Lease, dated _____, 1984, between BIDFA, as assignor, and BDG, as assignee, and has been modified by that certain Addendum to Ground Lease, dated _____, 1984, between CEDC and BDG.

(j) The "Project" shall mean the reconstruction, rehabilitation, furnishing, equipping, operation, maintenance, and use of the Building as described, and for the uses, activities, and purposes set forth, in the Grant Agreement.

(k) The "UDAG Application" shall mean, collectively the original application dated April 30, 1981, which was submitted by the City to HUD for approval of the Grant, and those subsequent submittals referred to in Exhibit A, rider to Section 1.03(2) of the Grant Agreement.

(l) The "UDAG Mortgage" shall mean the mortgage given by CEDC to the BRA to secure the UDAG Note, as such term is hereinafter defined, which mortgage shall be in the form attached hereto as Exhibit C.

(m) The "UDAG Note" shall mean the promissory note given by CEDC to the BRA to evidence the Loan, which promissory note shall be in the form attached hereto as Exhibit D.

(n) The "UDAG Security Agreement" shall mean the Security Agreement between CEDC and the BRA to secure the UDAG Note, which security agreement shall be in the form attached hereto as Exhibit E.

(o) The "Trustee" shall mean State Street Bank and Trust Company, as Trustee under that certain Trust Agreement and Assignment of Security, dated _____, 1984, between MIFA (as such term is hereinafter defined) and State Street Bank and Trust Company.

2. COMPLETION OF THE PROJECT

(a) Construction. BDG shall construct diligently and continuously from not later than October 16, 1984, and complete in all material respects, the Project Improvements, including

all aspects of the Project Improvements to be funded by the Loan and those to be funded privately, and Completion of the Project shall occur not later than the Completion Date, all substantially in accordance with the standards of quality represented in the Plans.

(b) Cost of Project. BDG shall expend not less than Eleven Million Dollars (\$11,000,000), including the Loan and including not less than Three Million One Hundred Fifty Thousand Dollars (\$3,150,000) in equity raised from the sale of limited partnership interests in BDG, for all activities necessary for completion of the Project, including Tenant Finish Work, as such term is defined in the Ground Lease, for the purposes described in the Grant Agreement. BDG shall spend not less than One Million Five Hundred Forty-Three Thousand Eighty Hundred Fifty-Six Dollars (\$1,543,856) for Tenant Finish Work, as space in the Building is leased to tenants of BDG. Such expenditure shall be made at the average rate of Twenty-Two and Seventy-Three/100 Dollars (\$22.73) per rentable square foot with respect to space leased for retail use, and Eighteen and Eighteen/100 Dollars (\$18.18) per rentable square foot with respect to space leased for office use, in each case including construction overhead (the "Tenant Finish Allowance"). Bay Construction Group, Inc., an affiliate of the general partners of BDG, shall have the right to act as construction contractor for all or any portion of the Tenant Finish Work.

(c) Cost Savings. In the event that, as of January 16, 1986, the costs accrued or incurred by BDG and CEDC in connection with the Project (the "Actual Project Cost") are less than the Budgeted Project Cost, as shown in a certificate of an independent certified public accountant selected by BDG and delivered to the United States Department of Housing and Urban Development ("HUD") and the BRA not later than February 16, 1986, CEDC shall pay, or shall cause BDG to pay, to the BRA, on or before March 16, 1986, an amount equal to one-half (1/2) of the difference between (i) the Budgeted Project Cost; and (ii) the Actual Project Cost, as set forth in the UDAG Note. Notwithstanding any contrary provision hereof, for purposes of computing the amount due the BRA pursuant to this Section 2(c), Budgeted Project Cost shall not be reduced by the Tenant Finish Allowance for space in the Building not leased to tenants as of January 16, 1986, or by any reduction or distribution of the \$400,000 operating deficit reserve maintained by BDG.

(d) Occupancy and Use After Completion. From and after the Completion Date and until the expiration of this Agreement, BDG, as tenant of the Land under the Ground Lease and as Owner of the Building, shall permit tenants to occupy and use the Building for the uses and purposes described in the Ground Lease. Subject to any limitation imposed by law, CEDC and BDG

shall use their best efforts to rent space in the completed Project to minority-owned businesses now located in the neighborhood of the Project (particularly the so-called "Chinatown" neighborhood) and to businesses or firms with minority employees.

(e) Relocation Obligation. CEDC shall pay, or cause to be paid, all sums due to former tenants of the Building to which they are entitled by reason of the termination of their prior occupancies and their relocation.

3. CREATION OF JOBS

(a) Construction Period Jobs. BDG shall use its best efforts to comply with, and cause its contractors and subcontractors to comply with, the Executive Orders of the Mayor of the City of Boston respectively dated June 28, 1978, and September 11, 1979 with respect to employment on all construction funded, in whole or in part, by the Loan, which are incorporated herein by reference.

(b) Creation of Permanent Jobs. BDG and CEDC shall use their best efforts to lease space in the Building to tenants who will create and maintain, until the expiration of this Agreement, the numbers and kinds of permanent, new jobs as described in, and within the time limits specified by, Exhibit A of the Grant Agreement.

(c) Hiring Reports. BDG shall file with the BRA hiring reports on the numbers and types of jobs created, from time to time as the BRA may reasonably require, but in no event more frequently than quarterly.

4. AGREEMENT TO LEND AND BORROW

Subject to receipt by the BRA from HUD of all approvals of the Evidentiary Materials required by the Grant Agreement and all of the terms and conditions hereof, the BRA agrees to lend to CEDC, and CEDC agrees to borrow from the BRA and to lend to BDG to pay Eligible Project Costs incurred or to be incurred by BDG, the principal amount of One Million One Hundred Three Thousand Dollars (\$1,103,000) from the Grant Funds in installments from time to time pursuant to Sections 6 and 7 hereof. The Loan shall be evidenced by the UDAG Note, and shall be secured by the UDAG Mortgage, the UDAG Security Agreement and the Guaranty of Payment, as such term is hereinafter defined. The Loan shall be repaid with interest at the rate and upon the terms set forth in the UDAG Note. BDG shall guaranty CEDC's obligations under the UDAG Note pursuant to a guaranty of payment in the form attached hereto as Exhibit

F (the "Guaranty of Payment"). The Loan shall not be deemed an assignment of the Grant Agreement, and CEDC shall not succeed to any rights, benefits, or advantages of the City under the Grant Agreement, nor attain any rights, privileges, authorities, or interests in or under the Grant Agreement.

5. CONDITIONS PRECEDENT TO FIRST ADVANCE

Prior to the first advance hereunder, and as a condition of CEDC's right to receive any of the proceeds of the Loan, CEDC or BDG shall have furnished to the BRA:

(a) Opinions of CEDC's counsel and BDG's counsel, respectively, made in accordance with Sections 10.02, 10.10, and Exhibit E(II) of the Grant Agreement, that (i) CEDC has good and marketable title to the Land; and (ii) BDG has a good and marketable leasehold interest in the Land and good and marketable title to the Building, subject only to the matters disclosed in the Owner's and Lessee's policies of title insurance referred to in Subsection (h) of this Section 5 and that there is no matter affecting such title which materially impairs CEDC's or BDG's ability to perform its obligations under this Agreement, the UDAG Note, the UDAG Mortgage, or the Guaranty of Payment;

(b) An opinion of BDG's counsel that the UDAG Mortgage given or to be given hereunder shall be, or shall continue to be, a good and valid mortgage of record subject only to the matters disclosed in the mortgagee's policy of title insurance referred to in Subsection (h) of this Section 5;

(c) Evidence as required by Sections 10.05, 10.07 or 10.08 and Exhibit E of the Grant Agreement that (i) the Massachusetts Industrial Finance Agency ("MIFA") has issued its \$4,800,000 industrial revenue bonds (the "IRB"), the proceeds of which are available to BDG for the construction of the Project Improvements; (ii) BDG has on hand or available from the proceeds of syndication of limited partnership interests, and will place in escrow in a manner reasonably satisfactory to the BRA, as it becomes available, not less than Three Million One Hundred Fifty Thousand Dollars (\$3,150,000) for construction of the Project Improvements; (iii) BIDFA is obligated to make a loan to BDG in the amount of One Million Eight Hundred Thousand Dollars (\$1,800,000) to be used for the purposes set forth in Exhibit D of the Grant Agreement (the "BIDFA Loan"), upon terms and conditions consistent with the provisions of Paragraph V(a)(11)(1) of Exhibit E of the Grant Agreement; (iv) the City of Boston Neighborhood Development and Employment Agency ("NDEA") is obligated to make a guaranty to BIDFA in an amount sufficient to pay three (3) years debt

service on the BIDFA Loan, upon terms and conditions consistent with the provisions of Paragraph V(a)(12)(1) of Exhibit E of the Grant Agreement;

(d) Evidence as required by Section 5.01(6) of the Grant Agreement that CEDC and BDG have obtained, or assurance that they will obtain, all Federal, state, and local governmental approvals and reviews required by law for the construction of Project;

(e) A copy of each of BDG's contracts with any construction company undertaking the construction of the Core and Shell Work, as such term is defined in the Ground Lease, with a construction contract reasonably anticipated to be in an amount in excess of One Hundred Thousand Dollars (\$100,000), evidencing the full and complete continuing responsibility of such company to BDG for the construction of such Core and Shell Work; copies of each of BDG's contracts with any construction company undertaking the construction of the Tenant Finish Work with a construction contract reasonably anticipated to be in excess of such amount, evidencing the full and complete continuing responsibility of such company to BDG for the construction of such Tenant Finish Work, shall be submitted to the BRA as a condition to advances subsequent to the initial advance hereunder;

(f) Copies of all payment and performance bonds, if any, given by the companies referred to in Section 5(e) hereof;

(g) A copy of the Ground Lease, together with a certification by CEDC that all payments are current thereunder, that the Ground Lease is not in default, and that the Ground Lease or a proper notice thereof has been or will be duly recorded with the Suffolk County Registry of Deeds;

(h) A mortgagee's policy of title insurance insuring the BRA's interest in the Land and copies of the owner's and the lessee's policies of title insurance insuring the fee and leasehold interests of CEDC and BDG, respectively, in the Land, all issued by a responsible company licensed to do business in the Commonwealth of Massachusetts, in form satisfactory to the BRA;

(i) A certificate of property insurance as required by Section 17 of this Agreement;

(j) Opinions of counsel to CEDC and counsel to BDG as to their respective authority to enter into, and the due execution, delivery, and the validity and binding effect on such parties of, this Agreement and of all documents,

instruments, certificates and agreements contemplated hereby to which they are, or either of them is, a party;

(k) A guaranty by Robert H. Yelton, Harry M. Standel and Lawrence H. Curtis, General Partners of BDG, of the completion of the Project Improvements as required by this Agreement (the "Guaranty of Completion") in the form attached hereto as Exhibit G; and

(1) The Guaranty of Payment.

6. REQUESTS FOR ADVANCES

(a) Advances of Loan funds shall be made by the BRA from time to time (but in no event more frequently than monthly) upon receipt by the BRA of written requisitions therefor on AIA Forms G702 and G703 signed by Bay Construction Group, Inc., as the construction manager for the Project Improvements, CEDC (or on CEDC's behalf by Landlord's Construction Representative, as such term is defined in the Ground Lease) and BDG, and approved by FNB and the Trustee; accompanied by the documentation set forth in Section 6(b) hereof. Each such advance shall be for a minimum amount Fifty Thousand Dollars (\$50,000), except for the last advance; subject, however, to the proviso that the aggregate amount of each advance shall not exceed Twenty-One and Thirty-Seven/100 Percent (21.37%) of Eligible Project Costs for which reimbursement is requested. The proceeds of each advance will be paid to BDG in immediately available Boston clearing house funds or equivalent.

(b) Each request shall be submitted to the Director of the BRA at its offices at One City Hall Square, Boston, Massachusetts 02201, together with:

(1) A certification by BDG that such costs are Eligible Project Costs;

(2) If reasonably required by the BRA, a programmatic report by BDG describing progress of the Project Improvements to date and an updated timetable showing the estimated time for commencement and completion of each major portion of the Project; and

(3) An endorsement to the BRA's title insurance policy, certifying the current state of the BRA's interest in the Land.

(c) Within ten (10) business days after its receipt of each request, the BRA shall approve the request and submit to the City for forwarding to HUD all necessary materials for a

drawdown of the Grant Funds in the amount so requested and approved, or shall give written notice to to BDG of the reasons for disapproval. Failure by the BRA to act within the said ten (10) business days shall be deemed an approval of the request. If the BRA has failed to act within such ten-day period and the request for the advance shall be deemed to have been approved hereunder, BDG shall hve the right to so notify the City and proceed with the processing for the approval of such request. The BRA shall exercise due diligence to expedite the drawdowns of the Grant Funds from HUD to the City and to expedite the transfer of the Grant Funds from the City to the BRA pursuant to the Transfer Agreement. Upon receipt of the said Grant Funds, the BRA shall immediately advance the same to BDG if BDG and CEDC were not in default hereunder at the time the request for such advance was made. In the event the BRA or the City fails to act, delays, or acts unreasonably in the performance of their duties to process requests for advances in an expeditious manner, CEDC and BDG shall have the right, in addition to any other right they may have at law or in equity, to institute arbitration proceedings in Boston, Massachusetts pursuant to the rules and regulations of the American Arbitration Association. If arbitration is commenced pursuant to the preceding sentence, any party to such arbitration shall have the right to enforce the award or the finding in a court of competent jurisdiction.

(d) Without waiving any of its rights under this Agreement, the BRA shall always have the right to make an advance hereunder without satisfaction of each and every condition on the BRA's obligation to make such an advance.

(e) Subject to the provisions of Section 8(e), the BRA shall have no obligation to make advances hereunder for costs incurred after January 16, 1986.

(f) Notwithstanding any other provision of this Agreement, and at the option of the BRA, the final ten percent (10%) of the Loan shall not be advanced to BDG until the BRA has, within thirty (30) days after submission of a request for advance of such final ten percent (10%) or the final portion thereof, performed an inspection of the Project and an audit of CEDC's and BDG's books, records, accounts and other documents relating to the Project. If such inspection and audit shall not be performed within said thirty (30) days, then unless within such thirty-day period the BRA has found any material noncompliance by BDG with the provisions hereof the BRA shall immediately approve the request for the advance of said portion of the Loan in accordance with this Section 6.

7. LIMITATION OF LIABILITY

The money to be loaned and borrowed hereunder is conditioned entirely upon the transfer of the Grant Funds to the BRA pursuant to the Grant Agreement and the Transfer Agreement, and if for any reason less than the full amount of the Grant Funds is so transferred to the BRA by HUD or the City, the BRA shall be liable under this Agreement only to the extent of the amount so transferred. In the event of a default by the BRA of its obligations under Section 4 of this Agreement, its liability shall be limited to the amount of any Grant Funds so transferred but not advanced to BDG. The BRA hereby represents and warrants that, as of the date hereof, the Grant Agreement is in full force and effect.

8. RIGHTS OF CREDIT INSTITUTIONS

(a) The Credit Institutions shall be entitled, upon succeeding to any of the interest in the Project of BDG, whether by foreclosure of any Priority Mortgage, as such term is hereinafter defined, deed in lieu of foreclosure, or otherwise, to receive all undisbursed Grant Funds, upon certification to the BRA and HUD by the Architect that the Improvements have been substantially completed in accordance with the Plans, so long as the Credit Institutions agree in writing with the BRA and HUD to complete construction of the Project and to repay the Loan, all on the terms and conditions set forth in this Agreement. Such terms and conditions shall include, without limitation (i) that installment payments required on the Loan shall be made after payment of all debt service secured by the Priority Mortgages, which shall include payment to the Credit Institutions of a return on the Credit Institutions' Investment (as defined in Section 8(c)) equal to the interest rate provided in the Priority Mortgages as well as after payment of all other costs and expenses of the Project; provided that any interest which would otherwise have been due and payable on the Loan shall accrue and be due and payable after the payment of then current interest due on the Loan from the Net Operating Cash Flow of BDG, as such term is defined in the UDAG Note and as modified herein, or otherwise upon maturity; and (ii) that the Credit Institutions shall not be personally liable for such completion or repayment.

(b) If the Credit Institutions determine to sell the Project to a third party, whether at foreclosure or subsequent to succession of the Credit Institutions to all or any part of the interest of BDG in the Project, the BRA will not unreasonably withhold its consent to substituting such third party for BDG for all purposes under the terms hereof, provided such third party enters into an agreement that is substantially

similar to this Agreement. It is understood that, in the event of such substitution, the terms and conditions of the UDAG Mortgage relative to acceleration of the Loan upon sale of the Project shall not be applicable.

(c) The term "Credit Institutions' Investment" shall mean all sums secured by the Priority Mortgages as of the time of acquisition of the Project by the Credit Institutions plus all additional amounts advanced in connection with the Project by the Credit Institutions, plus interest on all such sums at the rate of interest provided in the Priority Mortgages, less any sums deemed repaid as debt service as contemplated by Section 8(a), to the extent received by the Credit Institutions.

(d) If a sale to and substitution of a third party is made in accordance with the terms of Section 8(b) above, the UDAG Mortgage shall, at the election of the Credit Institutions, be subordinated to a purchase money mortgage in favor of the Credit Institutions so long as the amount of such purchase money mortgage does not exceed the Credit Institutions' Investment.

(e) The Credit Institutions shall be given written notice by the BRA of any default by BDG or CEDC under this Agreement, the UDAG Note, the UDAG Mortgage, and any other instrument given to evidence or secure the obligations of BDG or CEDC hereunder, and shall have thirty (30) days after receipt of such notice, or such longer time as is reasonably necessary, to cure such default on behalf of such party prior to the exercise by the BRA or any other party of any remedies on account of such default.

(f) The BRA hereby agrees, for a six-month period following a default by CEDC or BDG hereunder and the expiration of any applicable notice, grace and cure period, to exhaust any and all remedies it might have against either or both of BDG and CEDC prior to seeking to obtain repayment of the Loan or performance of any other obligation under this Agreement from the Project, any of the Credit Institutions, their successors or assigns or a purchaser at foreclosure, whether or not any of the Credit Institutions shall have succeeded to any or all of the interest of either or both of CEDC or BDG in the Project.

9. PROTECTION OF THE BRA'S MORTGAGE INTEREST

(a) The BRA acknowledges that the UDAG Mortgage shall be subject and subordinate to the liens of the mortgages set forth in Exhibit H hereto by either or both of CEDC and BDG, as mortgagors, to the respective mortgagees described in said Exhibit H (the "Priority Mortgages"). BDG and CEDC shall pay,

when due, all payments due under any respective Priority Mortgage to which they are a party, and all sums for labor, materials, fixtures, equipment, supplies, and services used or purchased in connection with construction, maintenance, and operation of the Project, and BDG and CEDC shall at all times keep the Project property free from any attachment, lis pendens, mechanics' or other liens or notices arising from the furnishing of labor or materials, and from all other liens and encumbrances of any kind, except as permitted by this Agreement and as may otherwise be authorized in writing by the BRA. Notwithstanding the foregoing provisions of this Section 9(a), the existence of an attachment, lis pendens, or other such lien or notice for a period not in excess of thirty (30) days shall not be deemed to be a default of CEDC or BDG hereunder if there shall be no cessation of construction or operation of the Project and neither CEDC nor BDG is otherwise in default and shall proceed promptly to cause such attachment, lis pendens, lien, or notice to be removed, but the BRA shall not be obligated to make any advance while such attachment or lis pendens remains outstanding, unless a bond, title insurance or other security reasonably satisfactory to the BRA is provided. A bond or other security satisfactory to the Credit Institutions and the Trustee shall be satisfactory to the BRA hereunder.

(b) Except as hereinafter limited, the BRA may, after giving CEDC and BDG ten (10) business days prior written notice, pay such amount as may be necessary to cause to be discharged any encumbrances, any sums due or claimed to be due for labor or materials furnished, and any other sums which in the opinion of the BRA or its attorneys it is expedient to pay in order to secure its interest in the Project, and may take such other and further action, as it may reasonably deem necessary to protect the Loan to CEDC. The BRA will not pay any sum as to which CEDC or BDG informs the BRA there is a bona fide dispute, provided the BRA reasonably determines that the failure to pay such amount will not impede or prevent performance by CEDC and BDG of their obligations hereunder and, as to future advances hereunder, the BRA is reasonably satisfied that it has or can be given such assurances against such unpaid claims as it may require. Any moneys so paid may be charged against sums due CEDC or BDG hereunder as the BRA may see fit or may otherwise be collected from CEDC, and CEDC agrees to repay to the BRA all such moneys, notwithstanding that the aggregate indebtedness of CEDC to the BRA hereunder may exceed the aggregate amount which the BRA is obligated to advance under this Agreement.

(c) Without limiting the generality of the foregoing, the BRA may make any payment it deems necessary or expedient to

cure any default by BDG or CEDC under any of the Priority Mortgages for the purposes and upon the terms and conditions set forth in of this Section 9(b). BDG and CEDC shall obtain an agreement by the holders of the Priority Mortgages to give to the BRA notice of any default by BDG or CEDC thereunder and the opportunity to cure such default within the same cure period given to BDG or CEDC.

(d) CEDC and BDG shall execute such instruments as the BRA may from time to time request to perfect any security interest of the BRA arising under this Agreement, the UDAG Note, or the UDAG Mortgage.

10. ASSIGNMENT OF AGREEMENT

Neither CEDC nor BDG shall suffer any attachment, whether by trustee process or otherwise, to be made or attempted against its interest in this Agreement or any payment hereunder and shall not, without prior written consent of the BRA, assign or transfer this Agreement or any interest herein or right to payment hereunder except for an assignment to the Trustee or the Credit Institutions to secure loans made to finance the construction of the Project Improvements.

11. TRANSFER OF PROJECT; REFINANCING

(a) Neither CEDC nor BDG shall, without the prior written approval of the BRA, make or permit any sale (except to BDG pursuant to the exercise of a purchase option contained in the Ground Lease), conveyance, assignment, encumbrance (except the encumbrances set forth in the BRA's policy of title insurance referred to in Section 5(h) and as otherwise permitted hereby), lease or sublease (except as contemplated by the Ground Lease and Section 2(e) hereof and, if required, approved by the Credit Institutions and the Trustee), extension of a lease or sublease (except as contemplated by the Ground Lease and Section 2(e) hereof and, if required, approved by the Credit Institutions and the Trustee), or other transfer or disposal of all or any part of their respective legal or beneficial interests in any of the Project property or interests included therein which are described in the UDAG Mortgage as security for the performance of CEDC's obligations under the UDAG Mortgage, the UDAG Note, and this Agreement.

(b) BDG and CEDC shall have the right, at any time and from time to time, without the prior consent of the BRA, to grant a mortgage or mortgages on their respective interests in the Building to secure a loan or loans made to refinance all or any portion of the debt secured by the Priority Mortgages (a "Refinancing"), and the BRA shall execute and deliver to CEDC

and BDG any and all instruments reasonably deemed necessary by CEDC or BDG to subordinate the UDAG Mortgage to the mortgage or mortgages granted in connection with such Refinancing (the "Refinancing Mortgages"); provided, however, that the BRA shall be required to subordinate the UDAG Mortgage to the Refinancing Mortgages only to the extent of the aggregate sums which are or may be secured by the Priority Mortgages, but not to any greater amount.

(c) Upon any Refinancing, there shall immediately become due and payable hereunder, as a mandatory prepayment of the Loan, the difference, if any (not to exceed, however, the amount secured by the UDAG Mortgage), between (i) the principal amount of the debt secured by such Refinancing Mortgages reduced by the amount paid in satisfaction of the Priority Mortgages; and (ii) the costs and expenses of such Refinancing incurred by CEDC and BDG to third parties, including, without limitation, legal fees and expenses, financing fees, prepaid interest, prepayment penalties under the Priority Mortgages, title insurance premiums, surveying costs and expenses, and mortgage brokerage commissions.

12. INSPECTION OF PROJECT

Representatives of the BRA shall, upon reasonable notice have the right to enter upon any of the Project property during reasonable business hours and, subject to the rights of tenants, subtenants and occupants of the Project, to inspect the progress of the Project Improvements and materials on the Project property, and, after Completion of the Project, to inspect for compliance with the terms of this Agreement. In accordance with Section 9.08 of the Grant Agreement, any duly authorized representative of HUD shall, upon reasonable notice, during reasonable business hours and subject to the rights of subtenants and occupants of the Project, have access to the Project until the completion of all closeout procedures respecting the UDAG Grant.

13. BOOKS AND RECORDS

CEDC and BDG shall keep and maintain, and shall give access to the BRA and its representatives during reasonable business hours to inspect, copy, audit and examine, accurate books, records, accounts and other documents relating to the Project, including but not limited to those relating to receipt and disbursement of the Loan, to costs of constructing, rehabilitating, and equipping the Project, and to construction hiring, and shall give similar rights of access to HUD and the Comptroller General of the United States until the completion of all closeout procedures respecting the UDAG Grant and the

final settlement and conclusions of all issues arising out of the UDAG Grant.

14. REPORTS

CEDC and BDG shall cooperate with the BRA and the City in preparing in a timely manner all reports required to be filed in connection with the UDAG Grant and in accordance with any directives of HUD or any statute, rule, or regulation of HUD.

15. COMPLIANCE WITH GOVERNMENTAL REGULATIONS

BDG and CEDC shall conform to and comply with all applicable restrictions, building codes and zoning ordinances, rules, executive orders, and regulations (as they may be affected by applicable variances) of the United States, the Commonwealth of Massachusetts, and the City, and of any other governmental division, board, or officer having jurisdiction over the Project property or activities; provided however, that BDG and CEDC shall have the right to contest the same by appropriate legal proceedings.

16. ENVIRONMENTAL REGULATIONS

(a) In order to avoid or minimize damage to the environment resulting from construction of the Project Improvements, BDG and CEDC shall during all phases of construction activity comply with the "Regulations for the Control of Noise" and "Regulations for the Control of Atmospheric Pollution" promulgated by the City of Boston Air Pollution Control Commission.

(b) No abrasive blasting of exterior or interior building surfaces shall be conducted at the Project unless an application for an Abrasive Blasting Permit has first been approved by the City of Boston Air Pollution Control Commission.

(c) BDG and CEDC shall use their best efforts to encourage tenants of the Building to schedule their work shifts and to encourage and facilitate carpooling, vanpooling, and use of public transit by such subtenants' employees, so as to reduce peak-period traffic congestion in the vicinity of the Project.

17. INSURANCE

(a) Until the expiration or termination of this Agreement, BDG shall keep all of the insurable property and equipment in respect of the Project insured by fire and extended insurance and additional risk insurance to the same extent and amount which is normally required by institutional mortgagees in the

use of similar property and equipment in the City. Such insurance shall be in an amount sufficient to comply with the coinsurance clause applicable to the location and character of the property or equipment, and, in any event, in amounts not less than Eighty Percent (80%) of the current cash value of such property or equipment. All such insurance shall be by standard policies, obtained from financially sound and responsible insurance companies authorized to do business in Massachusetts, and shall have attached thereto a clause making the loss payable to the BRA, the Credit Institutions, the Trustee, BIDFA, NDEA, CEDC and BDG, as their respective interests may appear. The BRA agrees that insurance with companies and in amounts satisfactory to the Credit Institutions and the Trustee shall be satisfactory to the BRA.

All insurance policies shall provide that any cancellation, change or termination thereof shall not be effective with respect to the BRA until after at least ten (10) days prior notice has been given to the BRA to the effect that such insurance policies are to be cancelled, changed or terminated at a particular time. Certificates of such policies shall be filed with the BRA prior to the first advance of any Loan proceeds under this Agreement, and certificates of each renewal policy shall be filed with the BRA at least thirty (30) days prior to the expiration of the policy it renews.

(b) If BDG at any time refuses, neglects or fails to secure and maintain in full force and effect any or all of the insurance required pursuant to this Agreement, the BRA at its option, may upon ten (10) days prior written notice to BDG and to CEDC procure or renew such insurance, and all amounts of money paid therefor by the BRA shall be payable by CEDC to the BRA, with interest thereon at the then current rate charged to the BRA for Loan funds.

18. NON-DISCRIMINATION

(a) Neither CEDC nor BDG shall discriminate upon the basis of race, color, sex, age, religion, or national origin in the sale, lease, rental, use, or occupancy of the Project property or any part thereof.

(b) Neither CEDC nor BDG shall discriminate against any employee or applicant for employment in connection with the Project because of race, color, sex, age, religion or national origin. CEDC and BDG shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, sex, age, religion or national origin with respect to employment, upgrading, demotion, or transfer, recruitment or recruitment

advertising, layoff or termination, rates of pay or other forms of compensation, selection for training or apprenticeship, and all other aspects of employment. CEDC and BDG shall further carry out the requirements of (1) the BRA's "Equal Opportunity Compliance Policy" adopted June 12, 1975; (2) the "Commonwealth of Massachusetts Equal Employment Opportunity Anti-Discrimination and Affirmative Action Program" dated December 2, 1975; and (3) the City's "Supplemental Minority Participation and Resident Preference Section" dated January 7, 1980. CEDG and BDG shall post in conspicuous places, available to employees and applicants for employment, suitable notices setting forth the provisions of this Section 18(b).

(c) CEDC and BDG shall include the provisions of Section 18(b) in every employment contract, whether union or non-union, and in every construction contract and management contract with respect to the Project, and shall require the inclusion of these provisions in every sub-contract entered into by any of its contractors, so that such provisions will be binding upon each such contractor or subcontractor, as the case may be. CEDC and BDG shall take such action with respect to any construction contract, subcontract, or management contract as the BRA may reasonably direct as a means of enforcing such provisions, including sanctions for noncompliance.

19. COMPLIANCE WITH TERMS OF GRANT AGREEMENT

CEDC shall observe and perform, or obligate BDG to observe and perform all of the provisions, not already specifically referred to herein, of Article IX, "Third Party Contract Requirements", of the Grant Agreement, and of every other Article and Exhibit of the Grant Agreement pertaining to CEDC as a "Participating Party" thereunder, all of which provisions are incorporated herein by reference as if fully set forth herein in the form required pursuant to said Article IX and such other applicable provisions of the Grant Agreement.

20. DEFAULT

(a) The occurrence of any of the following shall be an event of default under this Agreement:

(1) BDG shall fail to complete the Project Improvements by the Completion Date, as the same may be extended by written agreement of the parties hereto; or

(2) CEDC or BDG shall fail to use their best efforts to create and maintain the numbers and kinds of permanent new jobs as set forth in Section 3(a) of this Agreement; or

(3) CEDC or BDG shall fail in any material respect to comply with the nondiscrimination provisions of Section 18 of this Agreement; or

(4) The continuance for ninety (90) days, or for thirty (30) days after receipt by BDG and CEDC of written notice from the BRA, of any failure in the payment of any sum due under the UDAG Note; or

(5) CEDC or BDG shall make any unauthorized assignment or transfer of their respective interests in this Agreement in violation of Section 10 hereof; or

(6) CEDC or BDG shall make any unauthorized sale, lease, sublease, assignment, or other transfer of any of the Project property as prohibited by Section 11 hereof; or

(7) The institution by CEDC or BDG, or any guarantor of either of their respective obligations hereunder, of any proceeding under the Federal Bankruptcy Code, or any other bankruptcy or insolvency law, in which such party is alleged to be insolvent or unable to pay its debts as they mature; the making of an assignment or trust mortgage for the benefit of their respective creditors; or the institution of any such proceedings against such party; or the appointment of a receiver for a substantial portion of the property of such party; or the entering of any order in any proceeding by or against such party decreeing or permitting the dissolution of such party or the winding-up of its affairs, which proceedings or receivership or order remain undischarged for a period of ninety (90) days; or

(8) CEDC or BDG shall fail to purchase or maintain insurance as required by Section 17 of this Agreement; or

(9) Any representation or warranty made by or for CEDC or BDG in this Agreement or to be furnished to the BRA by or for CEDC or BDG pursuant to this Agreement shall prove to have been false in any material respect when made or furnished; or

(10) A material failure by BDG or CEDC in the performance, keeping, or observing of any other covenant, condition, or agreement contained in any Priority Mortgage, this Agreement, the UDAG Note, the UDAG Mortgage or the UDAG Security Agreement continuing beyond any applicable notice, grace and cure period.

(b) Except in the event of the continuance for ninety (90) days of any failure in payment of sums due under the UDAG Note

as described in Section 20(a)(4), the BRA shall give written notice to CEDC and BDG of any event of default hereunder. If such event of default shall not have been cured within thirty (30) days after receipt of such notice (or, except with respect to the events of default described in Sections 20(a)(5) and 20(a)(6), if such event of default is such that it cannot be cured within said thirty (30) day period, reasonable action has not been commenced by CEDC or BDG within said period to cure the same and thereafter continued diligently until such default is cured), then the BRA shall have the remedies provided in Section 21 of this Agreement. BDG shall have the right to cure or attempt to cure any default by CEDC described in this Section 20, subject to the terms and provisions hereof.

(c) In the event the BRA shall declare the accrued interest on and principal of the UDAG Note to be immediately due and payable by reason of the continuance for ninety (90) days of any failure in payment of sums due under the UDAG Note as described in Section 21(a)(4), such declaration shall not be effective if, within five (5) business days from the date of delivery thereof, CEDC or BDG shall have cured such failure.

(d) For the purposes of any of the provisions of this Agreement, neither CEDC, BDG nor the BRA, as the case may be, shall be considered in breach or default of its obligations in the event of unavoidable delay in the performance of such obligations due to causes reasonably beyond its control and without its fault or negligence, including but not restricted to, acts of God, or of the public enemy, acts of the Government, acts of the other party, fires, floods, or other casualties, epidemics, quarantine restrictions, labor disputes, freight embargoes, unusually severe weather, or delays of subcontractors due to such causes. In the event of the occurrence of any such enforced delay, the time or times for performance of such obligations shall be extended for the period of the enforced delay, provided, that the party seeking the benefit of the provisions of this Section 20(d) shall, within a reasonable period after the beginning of any such enforced delay, have first notified the other party thereof in writing stating the cause or causes thereof and requested an extension for the period of the enforced delay. In no event shall any financing difficulty be a cause for an extension hereunder, except for a delay by any of the BRA, the Trustee or the Credit Institutions in approving a request for an advance hereunder or under the IRB or any other source of financing for the Project Improvements, or a delay by HUD or the City in making Grant Funds available to the BRA to advance to BDG hereunder.

21. REMEDIES IN EVENT OF DEFAULT

(a) In the event of any default as defined in Section 20 of this Agreement, and subject to the provisions of said Section 20 for notice, grace and cure periods, the BRA may (subject to the rights of the Trustee and the Credit Institutions):

(1) Terminate this Agreement;

(2) Suspend or terminate the advances required by Section 6 of this Agreement (except as to any advance pursuant to a requisition made prior to the existence of an event of default hereunder);

(3) Declare the accrued interest and principal on, and any other sums due under, the UDAG Note to be immediately due and payable;

(4) Exercise any right or remedy available to the BRA under the UDAG Mortgage; and

(5) Exercise any other right or remedy available to the BRA under any other instrument or at law or in equity, including actions or proceedings to compel specific performance and payment of all damages, expenses, and costs.

(b) CEDC shall pay to the BRA all reasonable costs and expenses, including attorneys' fees, and the amounts of all judgments and decrees, which may be incurred by the BRA in any proceedings brought to enforce the obligations of CEDC set forth in this Agreement, the UDAG Note, and the UDAG Mortgage, and all amounts so incurred may, at the BRA's option, be added to the debt evidenced by the UDAG Note.

(c) In the event and during the continuation of any default by CEDC or BDG in the payment when due of the principal of (or premium, if any) or any interest on any Superior Debt, as such term is hereinafter defined, or any default (as defined in the instrument evidencing, establishing or securing such Superior Debt) which with notice or the passage of time, or both, would permit any holder or holders of the Superior Debt to accelerate the maturity thereof, of which default written notice shall have been given to CEDC or BDG by any holder of such Superior Debt under the terms of such instrument, CEDC shall not be obligated to make any payments on account of the principal of, or interest on, the UDAG Note.

In the event payment of the UDAG Note is accelerated because of the occurrence of any event of default (under

circumstances when the provisions of the preceding paragraph shall not be applicable) the holders of Superior Debt outstanding at the time the UDAG Note becomes due and payable because of such occurrence of an event of default shall be entitled to receive payment in full of all principal of (and premium, if any) and interest on all Superior Debt, payment of which is then due by maturity or is accelerated thereby, before the BRA is entitled to receive any payment on account of the principal of, or interest on, the UDAG Note.

The term "Superior Debt" means the indebtedness of CEDC or BDG secured by any of the Priority Mortgages, and any indebtedness of CEDC or BDG incurred in connection with the refinancing of such Priority Mortgages. Nothing in this Section 21(c) shall affect or impair in any fashion the rights of the BRA as holder of the UDAG Mortgage.

(d) In the event of a default as defined in Section 20(a)(7) of this Agreement, any payment to the BRA hereunder shall be made only from general assets of CEDC or BDG which remain after payment, or adequate provision for payment, of all other indebtedness of CEDC or BDG, as the case may be. All other indebtedness includes, without limitation, liabilities to any bank, lessor, vendor, customer, employee, and general creditor of CEDC or BDG, and tax or other liabilities to any governmental entity. Nothing in this Section 21(d) shall affect or impair in any fashion the rights of the BRA as holder of the UDAG Mortgage.

22. CONSISTENCY WITH NOTE AND MORTGAGE

Any provision of this Agreement which may be inconsistent with any provision of the UDAG Note, the UDAG Mortgage, or any other instrument given to secure the UDAG Note or this Agreement, shall nevertheless be given full force and effect and be controlling over such provisions of the UDAG Note, the UDAG Mortgage, or other such instrument.

23. NONRECOURSE

Notwithstanding any contrary provision hereof, the Loan contemplated hereby shall be made without recourse to the personal assets of any general or limited partner of BDG, nor any of BDG's successors or assigns, and without recourse to any of the assets of CEDC as a Massachusetts corporation, or any of its successors or assigns, excepting only its interests in the Project. In no event shall CEDC or any of its officers, directors, agents or employees, or any general or limited partner or BDG have any personal liability for the payment of any sum of money which is or may become payable by CEDC or BDG.

as the case may be, hereunder or under any other document or instrument given by CEDC or BDG in connection herewith, and the BRA agrees to look only to the assets of BDG or CEDC specified herein for any such payment. Nothing herein shall impair the personal liability of the Guarantors under the Guaranty of Completion.

24. CONFLICT OF INTEREST

Except for those administrative or personnel costs set forth in Paragraph III(a)(3) of Exhibit E of the Grant Agreement, no elected or appointed official, member, employee, agent or consultant of either the City or the BRA who exercises or has exercised an function or responsibility with respect to the UDAG Application or the Grant Agreement, or who is in a position to participate in a decisionmaking process or gain inside information with regard thereto, may obtain, directly or indirectly, a personal or financial interest or benefit from any activity covered by the Grant Agreement or funded, in whole or in part, by the Grant Funds either for himself or those with whom he has family or business ties during his tenure with the City or the BRA or any time after such person's tenure.

25. RIGHTS AND REMEDIES CUMULATIVE

The respective rights and remedies of the BRA, CEDC, BDG, and the City, whether provided by this Agreement, the UDAG Note, the UDAG Mortgage, any other instrument given to secure the UDAG Note or this Agreement, or by law, shall be cumulative, and the exercise of any one or more of such rights and remedies shall not preclude the exercise, at the same or different times, of any other such rights or remedies.

26. WAIVERS

No course of dealing by the BRA, or delay in accelerating the maturity of the UDAG Note following any default or in taking any other action with respect to any default shall affect the BRA's rights later to so accelerate the Note or take such action, and no waiver of any provision or condition of this Agreement or of the UDAG Note or of the UDAG Mortgage shall affect any other such provision or condition not specifically waived, nor shall such waiver in any instance be construed as a waiver of the same provision or condition in other or subsequent instances.

27. AMENDMENT

This Agreement may not be waived, changed, or discharged orally, but only by a written agreement signed by the party

against whom enforcement of such waiver, change, or discharge is sought, and shall be subject to the prior written approval of the Credit Institutions, which approval shall not be unreasonably withheld or delayed.

28. SEPARABILITY

Each and every covenant and agreement contained in this Agreement is and shall be construed to be a separate and independent covenant and agreement. If any term or provision of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid and unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby, and each term and provision of this Agreement shall be valid and shall be enforced to the extent permitted by law.

29. SUCCESSORS AND ASSIGNS

The provisions of this Agreement shall be binding upon, and shall inure to the benefit of, the successors and assigns of the public body or bodies succeeding to the interests of the BRA and the City and, subject to the provisions hereof, CEDC, BDG and the Credit Institutions.

30. NOTICES

All notices required or permitted to be given under this Agreement shall be in writing, signed by a duly authorized officer of BDG, CEDC or the BRA, and shall be deemed delivered if mailed, postage prepaid, by registered or certified mail, return receipt requested, to the principal office of the party to which it is directed, which is as follows unless otherwise designated by written notice to the other party:

The BRA:	Boston Redevelopment Authority One City Hall Square Boston, Massachusetts 02201 Attention: Director
----------	--

with a copy to:	Chief General Counsel Boston Redevelopment Authority One City Hall Square Boston, Massachusetts 02201
-----------------	--

CEDC:	Chinese Economic Development Council, Inc. 31 Beach Street Boston, Massachusetts 02111 Attention: Executive Director
-------	--

with a copy to:

Elliot M. Surkin, Esq.
Hill and Barlow
225 Franklin Street
Boston, Massachusetts 02110

BDG:

Boylston Development Group Limited
Partnership
c/o The Bay Group
99 Bedford Street
Boston, Massachusetts 02111
Attention: Mr. Robert H. Yelton,
General Partner

with a copy to:

Michael D. Sinclair, Esq.
Mintz, Levin, Cohn, Ferris
Glovsky and Popeo, P.C.
One Financial Center
Boston, Massachusetts 02111

The Credit Institutions: The First National Bank of Boston, N.A.
100 Federal Street
Boston, Massachusetts 02110
Attention: John F. Shea,
Real Estate Division

with a copy to:

Alan R. Rottenberg, Esq.
Goulston & Storrs
One Federal Street
Boston, Massachusetts 02110

All notices, approvals, instructions, authorizations, determinations, waivers, or other actions required or permitted under this Agreement on the part of the BRA shall be by its Director or any person designated by him or her.

31. SECTION TITLES TO BE DISREGARDED

The titles of the several Sections of this Agreement are for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions of this Agreement.

32. RECEIPT OF EVIDENTIARY MATERIALS

The parties acknowledge that no Grant Funds shall be advanced hereunder unless and until the BRA, the City and HUD have received all evidentiary materials described in Paragraphs I through X of Exhibit E of the Grant Agreement. If such evidence is not received on or before October 15, 1984, this Agreement shall terminate and be of no further force and

effect, unless otherwise mutually agreed in writing by HUD and the parties hereto. Further, upon such termination, the respective obligations of CEDC, BDG, Robert H. Yelton, Harry M. Standel and Lawrence H. Curtis under the UDAG Note, the UDAG Mortgage, the UDAG Security Agreement, the Guaranty of Payment and the Guaranty of Completion shall terminate and be of no further force and effect. The BRA shall, upon such termination, execute and deliver to CEDC, in recordable form, a discharge of the UDAG Mortgage and Uniform Commercial Code termination statements terminating any financing statements filed pursuant to the UDAG Security Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed, sealed, and delivered in four (4) counterparts by their respective duly authorized representatives, as of the date first written above.

CHINESE ECONOMIC DEVELOPMENT COUNCIL, INC.

By: _____

Title: _____

BOYLSTON DEVELOPMENT GROUP LIMITED
PARTNERSHIP

By: _____
Robert H. Yelton, General Partner

By: _____
Harry M. Standel, General Partner

By: _____
Lawrence H. Curtis, General Partner

By: Bay-BDG Corporation, General Partner

By: _____

Title: _____

BOSTON REDEVELOPMENT AUTHORITY

By: _____
Stephen Coyle, Director

EXHIBIT A

Eligible Project Costs

1. Core and Shell Work, as defined in the Ground Lease, not including overhead and profit;
2. All general requirements for the construction contracts for Core and Shell Work;
3. Construction cost contingencies for Core and Shell Work;
4. Architectural, engineering and space planning fees and expenses for the Project;
5. Legal, accounting, and other professional fees and expenses, and administrative and organizational costs and expenses with respect to the Project;
6. Marketing costs with respect to the Project;
7. Construction period interest on the IRB and the Loan, and initial issuance and construction period letter of credit fees to the Credit Institutions;
8. Costs of appraisals;
9. Mortgage brokerage fees to Boston Financial Technology Group, Inc.;
10. Construction period real estate taxes; and
11. Funding an operating guarantee reserve of up to \$400,000 with respect to the Project which shall be used to cover operating costs of the Project and which shall not be released for any other purpose without the consent of the Credit Institutions, if required.

EXHIBIT B

Plans and Specifications

1. Plans prepared by the Architect, dated June 18, 1983, numbered X-1 to E-11, entitled "The China Trade Center at the Boylston Building".
2. Specifications prepared by the Architect, dated June 18, 1983, entitled "The China Trade Center at the Boylston Building/83-09".

EXHIBIT C

MORTGAGE

CHINESE ECONOMIC DEVELOPMENT COUNCIL, INC., a Massachusetts non-profit corporation with offices at 31 Beach Street, Boston, Massachusetts 02111 ("Mortgagor", which term wherever used in this Mortgage shall include its successors and assigns), for consideration paid, hereby GRANTS unto the BOSTON REDEVELOPMENT AUTHORITY, a public body politic and organized under the laws of Massachusetts with offices at City Hall, Boston, Massachusetts ("Mortgagee", which term wherever used in this Mortgage shall include its successors and assigns), with MORTGAGE COVENANTS that certain parcel of land (but not the buildings, structures and improvements now or hereafter existing thereon) commonly known and numbered 651-657 Washington Street and 2-22 Boylston Street, Boston, Suffolk County, Massachusetts, and more particularly described in Exhibit A hereto (the "Mortgaged Premises") to secure payment of One Million One Hundred Three Thousand Dollars (\$1,103,000) as set forth in a Promissory Note, of even date herewith, from Mortgagor to Mortgagee (the "Note"), with interest thereon, or such part thereof as shall from time to time remain unpaid, all payable as provided in, and subject to the terms and conditions of, the Note and a Project Loan Agreement, of even date herewith (the "Project Loan Agreement") among Mortgagor, Mortgagee and Boylston Development Group Limited Partnership, a Massachusetts limited partnership with offices at 99 Bedford Street, Boston, Massachusetts 02111 ("BDG"), and to secure payment and performance of all other debts, loans and liabilities of any nature, direct or indirect, absolute or contingent, owed or to be owed to Mortgagee by Mortgagor or any endorser, sureties or guarantors of the Note.

The MORTGAGE COVENANTS shall also pertain to, insofar as they are, or can be agreement of the parties be made a part of the realty, all of the following articles owned by Mortgagor now or hereafter on the Mortgaged Premises or used therewith: Portable or sectional buildings, bathroom, plumbing, heating, lighting, refrigerating, ice making, ventilating and air conditioning apparatus and equipment, boilers, stoves, tanks, motors, pumps, sprinkler and fire extinguishing systems, alarm systems and other fixtures whether or not included in the foregoing enumeration.

Mortgagor also GRANTS, with MORTGAGE COVENANTS:

- A. All rents from the Mortgaged Premises from time to time accruing, whether under leases, subleases or tenancies now existing or hereafter created, reserving to Mortgagor, however so long as Mortgagor is not in default hereunder, the right to receive and retain such rents; and

- B. All judgments, awards of damages and settlements hereafter made as a result of in lieu of any taking of the Mortgaged Premises or any part hereof under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Mortgaged Premises or the improvements thereof or any part thereof, including any award for change of grade of streets, reserving to Mortgagor, however, so long as Mortgagor is not in default hereunder, the right to receive all such judgments, awards of damages and settlements, and subject to the further terms and conditions set forth below.

This Mortgage is subject and subordinate to the mortgages set forth in Exhibit B hereto (the "Priority Mortgages") and the rights of Mortgagee hereunder are subject and subordinate to the rights of the mortgagees under the Priority Mortgages.

Mortgagor covenants and agrees with Mortgagee that:

1. Mortgagor is lawfully seized of a fee simple estate in the Mortgaged Premises and has good right, full power and lawful authority to sell and convey the same in the manner aforesaid; and that such estate is free and clear of all encumbrances, subject to those matters set forth in Exhibit C hereto ("Permitted Encumbrances").
2. Mortgagor will pay the Note and interest and any premium or penalty thereon as the same shall become due and payable, and will pay such other indebtedness for which Mortgagor may be liable to Mortgagee with respect to the Mortgaged Premises.
3. Mortgagor will protect and maintain or cause to be maintained in good order, repair and condition at all times, the buildings, structures and other improvements now or hereafter a part of the Mortgaged Premises, and any additions and improvements thereto, and the utility services, the parking areas and access roads, and all building fixtures now or hereafter acquired by Mortgagor and used in connection with the Mortgaged Premises and subject to the lien of this Mortgage, promptly replacing any of the aforesaid which may become lost, destroyed or unsuitable for use with any property of similar character.
4. Mortgagor will keep or cause to be kept insured the Mortgaged Premises as required in the Project Loan Agreement. Mortgagor hereby irrevocably appoints Mortgagee its true and lawful attorney-in-fact, with full power of substitution, to assign any policy in the event Mortgagee takes possession of the Mortgaged Premises or any part thereof.

5. If the Mortgaged Premises, or any part thereof, shall be damaged or destroyed, Mortgagor shall proceed promptly to establish and collect all valid claims which may have arisen against insurers or others based upon any such damage or destruction. Subject to the requirements of any Priority Mortgage, all proceeds of any such claim and any other monies provided for the construction, restoration or repair of the Mortgaged Premises shall be deposited in full in a separate account of Mortgagor, and the insurance proceeds and any other proceeds so collected shall, to the extent practicable, be used and expended for the purpose of fully repairing or reconstructing the Mortgaged Premises which have been destroyed or damaged to a condition at least comparable to that existing at the time of such damage or destruction to the extent that such insurance proceeds and other proceeds may permit. Subject to the requirements of any Priority Mortgage, any such proceeds not so used, or any excess proceeds after such repair or reconstruction has been completed, shall, at the option of Mortgagee, be retained by Mortgagor or shall be applied to the indebtedness secured hereby in such manner as Mortgagee may elect.
6. Subject to the requirement of any Priority Mortgage, awards of damages which may be made on account of any condemnation for public use of or injury to the Mortgaged Premises shall be deposited in full in a separate account of Mortgagor, and all proceeds of such awards shall, to the extent practicable, be used and expended for the purpose of repairing or reconstructing that part of the Mortgaged Premises which remains to the extent that such proceeds may permit. Subject to the requirements of any Priority Mortgage, any such proceeds not so used, or any excess proceeds after such repair or reconstruction has been completed, shall, at the option of Mortgagee, be retained by Mortgagor or shall be applied to the indebtedness secured hereby in such manner as Mortgagee may elect.
7. Mortgagor will not commit or suffer any strip or waste of the Mortgaged Premises or any violation of any law, rule, regulation, ordinance, license or permit, or the requirements of any licensing authority affecting the Mortgaged Premises or any business conducted thereon, and will not commit or suffer any demolition, removal or material alteration (except as contemplated by the Project Loan Agreement) of any of the Mortgaged Premises without the written consent of the Mortgagee, which will not be unreasonably withheld, and will not violate nor suffer the violation of the covenants and agreements, if any, of record against the Mortgaged Premises. Mortgagor will timely obtain and do or cause to be obtained and done anything required to keep in force any and all permits, licenses and approvals, however denominated, required to erect and

maintain the improvements on the Mortgaged Premises provided for in the Project Loan Agreement and to use the Mortgaged Premises for the uses required by the Project Loan Agreement.

8. Mortgagor agrees that it will not sell, transfer or encumber the Mortgaged Premises, except for the Permitted Encumbrances and as permitted under the Project Loan Agreement.
9. Mortgagor will pay or cause to be paid all sums, the failure to pay which may result in the acquisition of a lien prior to the lien of this instrument before such a prior lien may attach or which may result in conferring upon a tenant or sub-tenant of any part or all of the Mortgaged Premises a right to recover such sums as prepaid rent, except as permitted under the Project Loan Agreement or as otherwise permitted by Mortgagee.
10. If Mortgagor shall neglect or refuse (a) to maintain and keep in good repair the Mortgaged Premises or any part thereof as required by this instrument, or (b) to maintain and pay the premiums for insurance which may be required by this instrument, or (c) subject to its right to contest the same as set forth in Section 20 hereof, to pay and discharge all assessments and charges of every nature and to whomever assessed, as required by this instrument, or (d) to pay the sums required to be paid in Paragraph 9, or (e) to satisfy any other terms or conditions of this Mortgage, Mortgagee may, at its election, cause such repairs or replacements to be made, obtain such insurance or pay said assessments, charges and sums, incur and pay reasonable amounts in protecting its rights hereunder and the security hereby granted, pay any balance due under any conditional agreement of sale of any property included as a part of the Mortgaged Premises, and pay any amounts as Mortgagee deems necessary or appropriate to satisfy any terms or condition of this Mortgage, which Mortgagor shall have failed to satisfy, or to remedy any breach of such terms or condition. In such event, any amounts of expenses so paid or incurred, together with interest thereon from the date of payment by Mortgagee at the same rate as then currently paid by Mortgagee for borrowing money, shall be immediately due and payable by Mortgagor to Mortgagee and until paid may be added to and become a part of the principal debt secured hereby, and the same may be collected as part of said principal debt in any suit hereon or upon the Note. No payment by Mortgagee shall relieve Mortgagor from any default hereunder or impair any right or remedy of Mortgagee consequent thereon.
11. If any action or proceeding be commenced to foreclose this Mortgage or to collect the debt hereby secured, to which action or proceeding Mortgagee is made a party by reason of

the execution of this Mortgage, by reason of any obligation which it secures, or by reason of entry or any other action under this Mortgage, or if it becomes necessary in connection with legal proceedings or otherwise to defend or uphold the lien of this Mortgage or any act taken under this Mortgage against any third party, all sums paid or incurred by Mortgagee for the expense of any litigation or otherwise, in connection with any rights created by this Mortgage, shall be paid by Mortgage, or may at the option of Mortgagee be added to the debt secured hereby, expressed in writing by Mortgagee.

12. Mortgagee shall, in addition to all other rights, be subrogated for further security to the lien, although released of record, of any and all encumbrances on the Mortgaged Premises or any part thereof, to the extent satisfied by funds of Mortgagee, whether paid out of the proceeds of the loan secured by this Mortgage or otherwise.
13. Mortgagor will perform every obligation as landlord under the Ground Lease, dated _____, 1984, between Mortgagor, as landlord, and the Boston Industrial Development Finance Agency ("BIDFA"), as tenant, with respect to the Mortgaged Premises, which Ground Lease has been assigned by BIDFA to BDG pursuant to an Assignment and Assumption of Lease, dated _____, 1984, by BIDFA, as assignor, to BDG, as assignee, and has been modified by that certain Addendum to Ground Lease, dated _____, 1984, between Mortgagor and BDG (the "Ground Lease") notice of which has been recorded simultaneously herewith, and will enforce every obligation of BDG thereunder.
14. Upon request, Mortgagor will assign to Mortgagee, as security for the debt hereby secured, the lessor's interest in any and all leases, rental or occupancy agreements now or hereafter outstanding, and Mortgagor's interests in all agreements, contracts, licenses and permits hereafter outstanding, affecting the Mortgaged Premises, such assignments to be made by instruments in form satisfactory to Mortgagee and authorizing Mortgagee, in the event of foreclosure, to sell and assign said interest to the purchaser at foreclosure, but no such assignment shall be construed as a consent by Mortgagee to any sublease, agreement, contract, license or permit so assigned, or to impose upon Mortgagee any obligations with respect thereto. Mortgagor hereby irrevocably appoints Mortgagee its true and lawful attorney-in-fact, with full power of substitution, to execute, acknowledge and deliver any such assignment on behalf of Mortgagor which Mortgagor fails or refuses to do.
15. Mortgagor will promptly cause this Mortgage to be recorded or registered at such times and places as may be required by

law or deemed advisable by Mortgagee to create, preserve or protect the lien hereof upon the Mortgaged Premises or any part thereof; and Mortgagor will from time to time do and cause to be done all such things as may be required by Mortgagee or required by law therefor. Mortgagor hereby irrevocably appoints Mortgagee its true and lawful attorney-in-fact, with full power of substitution, to execute, acknowledge and deliver any such things on behalf of Mortgagor which Mortgagor fails or refuses to do pursuant to this Section 15.

16. Mortgagee may, without notice to any persons, deal with any successor in interest of Mortgagor herein regarding this Mortgage and the debt hereby secured in all respects as it might deal with Mortgagor herein, without in any way affecting the liability hereunder or upon the debt hereby secured by any predecessor in interest of the person so dealt with; and no sale of the Mortgaged Premises, nor any forbearance on the part of Mortgagee, nor any extension by Mortgagee of time for payment of the debt hereby secured, shall operate to release, discharge, modify, change or affect the original liability of any predecessor in interest of the owner of the equity of redemption at the time of such sale, forbearance or extension.
17. Subject to the provisions of Section 18, upon the breach of any covenant of Mortgagor contained herein or of Mortgagor or BDG contained in the Project Loan Agreement, and the expiration of any applicable notice, grace and cure period, then in any of such events, at the option of Mortgagee, the entire debt secured by this Mortgage shall become immediately due and payable without further notice.
18. a. The mortgagees under the Priority Mortgages (the "Credit Institutions") shall be entitled, upon succeeding to any of the interest in the Mortgaged Premises of BDG, whether by foreclosure, deed in lieu of foreclosure or otherwise, to receive all undisbursed Grant Funds, as such term is defined in the Project Loan Agreement, upon certification to the Mortgagee and to the United States Department of Housing and Urban Development ("HUD") that the Improvements, as such term is defined in the Project Loan Agreement, have been substantially completed in accordance with the Plans, as such term is defined in the Project Loan Agreement, so long as the Credit Institutions agree in writing with Mortgagee and HUD to complete construction of the Project, as such term is defined in the Project Loan Agreement, and to repay the Loan, as such term is defined in the Project Loan Agreement, all on the terms and conditions set forth in the Project Loan Agreement. Such terms and conditions shall include, without limitation (i) that installment payments required on the Loan shall be made after payment of all debt

service secured by the Priority Mortgages, which shall include payment to the Credit Institutions of a return on the Credit Institutions' Investment (as defined below) equal to the interest rate provided in the Priority Mortgages, as well as after payment of all other costs and expenses of the Project, provided that any interest which would otherwise have been due and payable on the Loan shall accrue and be due and payable after the payment of then current interest due on the Loan or otherwise upon maturity; and (ii) that the Credit Institutions shall not be personally liable for such completion or repayment.

b. If the Credit Institutions determine to sell the Project to a third party, whether at foreclosure or subsequent to succession of the Credit Institutions to all or any part of the interest of BDG in the Mortgaged Premises, Mortgagee will not unreasonably withhold its consent to substituting such third party for BDG for all purposes under the terms hereof, provided such third party enters into an agreement that is substantially similar to the Project Loan Agreement. It is understood that, in the event of such substitution, the terms and conditions of this Mortgage relative to acceleration of the Loan upon sale of the Project shall not be applicable.

c. The term "Credit Institutions' Investment" shall mean all sums secured by the Priority Mortgages as of the time of acquisition of any interest of BDG in the Mortgaged Premises by the Credit Institutions, plus all additional amounts advanced in connection with the Project by the Credit Institutions, plus interest on all such sums at the rate of interest provided in the Priority Mortgages, less any sums deemed repaid as debt service as contemplated by Section 8(a) of the Project Loan Agreement, to the extent received by the Credit Institutions.

d. If a sale to and substitution of a third party is made in accordance with the terms of Section 18(b) above, this Mortgage shall, at the election of the Credit Institutions, be subordinated to a purchase money mortgage in favor of the Credit Institutions, so long as the amount of such purchase money mortgage does not exceed the Credit Institutions' Investment. Mortgagee, by its acceptance hereof, agrees to execute and deliver any documents reasonably deemed necessary by the Credit Institutions to effectuate such subordination.

e. The Credit Institutions shall be given written notice by Mortgagee of any default by BDG or Mortgagor under the Project Loan Agreement, the Note, this Mortgage and any other instrument given to evidence or secure the obligations of BDG or Mortgagor thereunder, and shall have thirty (30)

days after receipt of such notice, or such longer time as is reasonably necessary, to cure such default on behalf of such party prior to the exercise by Mortgagee or any other party of any remedies on account of such default.

f. Mortgagee shall, for a six-month period following a default by BDG or Mortgagor hereunder and the expiration of any applicable notice, grace and cure period, exhaust any and all remedies it might have against either or both of BDG and Mortgagor prior to seeking to obtain repayment of the Loan or performance of any other obligation under the Project Loan Agreement from the Project, any of the Credit Institutions, their successors or assigns or a purchaser at foreclosure whether or not any of the Credit Institutions shall have succeeded to any or all of the interest of either or both of BDG and Mortgagor in the Project.

19. Subject to the provisions of any Priority Mortgage, Mortgagor authorizes Mortgagee, in addition to all other rights granted by law or by this instrument, whenever and so long as any default hereunder shall exist and without notice, to enter and take possession of all or any part of the Mortgaged Premises and to collect any rents therefrom as may be payable. Upon every such entry, Mortgagee may from time to time at the expense of Mortgagor make all such repairs, replacements, alterations, additions and improvements to the Mortgaged Premises as Mortgagee may deem proper and may exercise all rights and power of Mortgagor, either in the name of Mortgagor or otherwise as Mortgagee shall determine. Mortgagee may, at its option, pay and incur all expenses necessary or deemed by it appropriate for the maintenance, repair and replacement of the Mortgaged Premises, including, without limitation, payments of charges, rates, taxes, betterments, assessments, insurance premiums, charges and reasonable compensation for service of Mortgagee, its attorneys and accountants and, in addition, Mortgagee, at its option, may make payments or incur liability with respect to obligations arising prior to the date it takes possession. All obligations so paid or incurred by Mortgagee may, at Mortgagee's option, be added to the debt secured hereby or deducted from the income or receipts of the Mortgaged Premises.
20. Mortgagor shall have the right to contest, by appropriate legal proceedings, but without cost or expense to Mortgagee unless Mortgagee is an adversary party in the proceedings, the validity of any laws, ordinances, orders, rules and regulations and the validity or amount of any tax, charge or assessment affecting the Mortgaged Premises or the business conducted thereon if compliance therewith or payment thereof may legally be held in abeyance without incurring any charge, lien or liability against the Mortgaged Premises and

without the loss of suspension or any license, right or permit with respect to the Mortgaged Premises; and Mortgagor may postpone compliance therewith or payment thereof until the final determination of any such proceedings, provided it shall be prosecuted with due diligence and dispatch, and if any lien or charge is incurred, Mortgagor may, nevertheless, make the contest and delay compliance, provided Mortgagee is furnished with security reasonably satisfactory to it against any loss or injury by reason of such non-compliance or delay. Security satisfactory to the holders of the Priority Mortgages shall be deemed satisfactory to Mortgagee.

21. Notwithstanding the foregoing provisions of this Mortgage, the existence of an attachment, lis pendens or other such lien or notice for a period not in excess of thirty (30) days shall not be deemed to be a default of Mortgagor hereunder if there shall be no cessation of construction or operation of the Project and Mortgagor is not otherwise in default and shall proceed promptly to cause such attachment, lis pendens, lien or notice to be removed, but Mortgagee shall not be obligated to make any advance under the Project Loan Agreement while such attachment or lis pendens remains outstanding unless a bond or other security reasonably satisfactory to Mortgagee is provided. A bond, title insurance or other security satisfactory to the holders of the Priority Mortgages shall be satisfactory to Mortgagee hereunder.
22. Any demand, notice or request by either party to the other shall be sufficiently given if delivered to the party intended to receive the same and receipted therefor or if mailed by registered or certified mail, return receipt requested, addresses to each party at the following addresses:

If to Mortgagee:

Boston Redevelopment Authority
City Hall
Boston, Massachusetts 02201

Attention: Director;

if to Mortgagor:

Chinese Economic Development Council, Inc.
31 Beach Street
Boston, Massachusetts 02215

Attention: Robert Leigh
Acting Executive Director;

with copies to:

Boylston Development Group Limited Partnership
c/o The Bay Group
99 Bedford Street
Boston, Massachusetts 02111

Attention: Robert H. Yelton, General Partner;

Elliot M. Surkin, Esquire
Hill and Barlow
225 Franklin Street
Boston, Massachusetts 02110; and

Michael D. Sinclair, Esquire
Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
One Financial Center
Boston, Massachusetts 02111;

if to the Credit Institutions:

The First National Bank of Boston, N.A.
100 Federal Street
Boston, Massachusetts 02110

Attention: John P. Shea
Real Estate Division;

with a copy to:

Alan W. Rottenberg, Esquire
Goulston & Storrs
One Federal Street
Boston, Massachusetts 02110,

or at such other address as may be stated in a notice delivered or mailed as herein provided.

23. Nothing in this Mortgage shall be construed as obligating Mortgagee to take any action or incur any liability with respect to the Mortgaged Premises or any business conducted thereon, and all options given to Mortgagee are for its benefit and shall be exercised in its sole discretion.
24. In case any one or more of the provisions of this Mortgage are held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions hereof.
25. No consent or waiver, express or implied, by Mortgagee to or of any default by Mortgagor shall be construed as a consent or waiver to or of any other or subsequent default. No

waiver of any default or other indulgence shall be effective unless expressed in writing by Mortgagee.

26. In case any default in any condition of this Mortgage shall occur, Mortgagee, to cure such default, may apply any deposits or any sums credited by or due from Mortgagee to Mortgagor without first enforcing any other rights of Mortgagee against Mortgagor, any endorser or guarantor of the Note, or the Mortgaged Premises. No sale of the Mortgaged Premises, or forbearance on the part of Mortgagee, and no extension, whether oral or in writing, of the time for the payment of the whole or any part of the debt hereby secured or any other indulgence given by Mortgagee to any person other than Mortgagor, shall operate to release or in any manner affect the original liability of Mortgagor, notice of any such extensions or indulgences being waived. In case redemption is had by Mortgagor after foreclosure proceedings have been begun, Mortgagee shall be entitled to collect all costs, charges and expenses incurred up to the time of redemption.
27. If any provision of this Mortgage is inconsistent with any provision of the Project Loan Agreement, or with any provision of any other instrument given to secure the Project Loan Agreement, the provisions of the Project Loan Agreement shall nevertheless be given full force and effect and be controlling over such provisions of this Mortgage, or other such instrument.
28. The Security Instruments shall include the Note, this Mortgage, the Security Agreement, of even date herewith, between Mortgagor, as debtor, and Mortgagee, as secured party, and the Project Loan Agreement, together with any other instrument now or hereafter executed in favor of or delivered to Mortgagee as evidence of or further security for the debt secured hereby.
29. This instrument is upon the STATUTORY CONDITION and upon the further condition that all covenants and agreements of Mortgagor contained herein and in the Note and the Security Instruments shall be kept and fully performed, for any breach of which Mortgagee shall have the STATUTORY POWER OF SALE.
30. In exercising its power of sale under this Mortgage, Mortgagee may sell the Mortgaged Premises or any part hereof either separately from or together with the whole or any part of other collateral which may constitute security for any obligation secured by the Mortgaged Premises, also as Mortgagee may in its discretion elect.

31. Notwithstanding any contrary provision hereof, the obligations of Mortgagor hereunder are without recourse to any of the assets of Mortgagor as a Massachusetts corporation, or of any of its successors or assigns, excepting only the Collateral described in that certain Security Agreement, of even date herewith, between Mortgagor and Mortgagee, and the Mortgaged Premises described herein. In no event shall Mortgagor or any of its officers, directors, agents or employees have any personal liability for the payment of any sum of money which is or may become payable by Mortgagor hereunder, and Mortgagee agrees to look only to the Collateral, the Mortgaged Premises and that certain Guaranty of Payment, of even date herewith, by the general partners of BDG, for any such payment.

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be executed and delivered as a sealed instrument by its duly authorized representative, as of the date and year set forth below.

DATE: October __, 1984

CHINESE ECONOMIC DEVELOPMENT
COUNCIL, INC.

By: _____

Title: _____

COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

_____, 1984

On this date, appeared before the above-named _____, the _____ of Chinese Economic Development Council, Inc., who executed the foregoing instrument on behalf of the said corporation and acknowledged the same to be his free act and deed and the free act and deed of the said corporation.

Notary Public

My Commission Expires: _____

EXHIBIT A

Legal Description of Mortgaged Premises

That certain parcel of land in Boston, Suffolk County, Massachusetts, now numbered 651-657 Washington Street and 2-22 Boylston Street, and bounded

EASTERLY	by Washington Street, eighty-two and 31/100 (82.31) feet;
NORTHERLY	by Boylston Street, by two lines measuring one hundred eighty-four and 29/100 (184.29) feet, and four and 22/100 (4.22) feet;
WESTERLY	by the Easterly line of Boylston Square by two lines measuring twenty-eight and 8/100 (28.08) feet, and fifty-four and 68/100 (54.68) feet; and
SOUTHERLY	by the Northerly line of said Boylston Square, one hundred eighty-two and 30/100 (182.30) feet.

Being the premises shown on a plan by Everett M. Brooks, Co., Civil Engineers, dated July 22, 1949 and recorded with Suffolk Registry of Deeds in Book 6536, Page 280.

EXHIBIT B

Priority Mortgages

1. A Fee Mortgage and Security Agreement, dated _____, 1984, by CEDC, as mortgagor, to the Massachusetts Industrial Finance Agency ("MIFA"), as mortgagee, which mortgage has been assigned by MIFA to State Street Bank and Trust Company, as trustee (the "Trustee"), pursuant to a Trust Agreement and Assignment of Security, dated _____, 1984 (the "Assignment");
2. A Leasehold Mortgage and Security Agreement, dated _____, 1984, by BDG, as mortgagor, to MIFA, as mortgagee, which mortgage has been assigned to the Trustee pursuant to the Assignment;
3. A Credit Facility Mortgage and Security Agreement, dated _____, 1984, by CEDC and BDG, as mortgagors, to the Credit Institutions, as mortgagees;
4. An Additional Advance Mortgage and Security Agreement, dated _____, 1984, by CEDC and BDG, as mortgagors, to MIFA, as mortgagee, which mortgage has been assigned to the Trustee pursuant to the Assignment;
6. A Prepayment Leasehold Mortgage and Security Agreement, dated _____, 1984, by BDG, as mortgagor, to MIFA, as mortgagee, which mortgage has been assigned to the Trustee pursuant to the Assignment; and
7. A Mortgage and Security Agreement, dated _____, 1984, by ~~CEDC~~ and BDG, as mortgagors, to BIDFA, as mortgagee.

EXHIBIT C

Permitted Encumbrances

1. The Ground Lease, notice of which has been recorded simultaneously herewith;
2. The Priority Mortgages; and
3. [Other matters set forth in Schedule B of Mortgagee's policy of title insurance.]

1679B

EXHIBIT D

PROMISSORY NOTE

\$1,103,000

Boston, Massachusetts
_____, 1984

FOR VALUE RECEIVED, Chinese Economic Development Council, Inc., a Massachusetts non-profit corporation with a principal place of business at 31 Beach Street, Boston, Massachusetts 02111 ("Borrower"), promises to pay to the order of the Boston Redevelopment Authority, a public body politic organized under Chapter 121B of the General Laws of the Commonwealth of Massachusetts ("Lender"), at the principal office of Lender, City Hall, Boston, Massachusetts, or at such other place, or to such other party or parties as Lender may from time to time designate in writing, the principal sum of One Million One Hundred Three Thousand Dollars (\$1,103,000) or such sum as is actually advanced to Borrower by Lender pursuant to the Project Loan Agreement, dated _____, 1984 (the "Project Loan Agreement"), among Borrower, Lender and Boylston Development Group Limited Partnership, a Massachusetts limited partnership ("BDG"), together with interest thereon at the rate set forth below, payable as follows:

(a) Simple interest at the rate of Five Percent (5%) per year on the outstanding principal balance hereof shall accrue during the period from the date hereof until December 31, 1987, at which time all such accrued interest shall be deemed to have been added to the outstanding principal balance hereof.

(b) Simple interest at the rate of Five Percent (5%) per year on the outstanding principal amount hereof (as increased pursuant to the provisions of the foregoing paragraph (a)) shall be payable monthly in arrears, commencing January 31, 1988, and on the last day of each month thereafter (an "Interest Payment Date").

(c) The outstanding balance of the principal amount hereof shall be paid annually in installments, commencing May 1, 1989, and on each anniversary of such date thereafter (a "Principal Payment Date") until the tenth anniversary of the date on which the first advance of funds is made to Borrower under the Project Loan Agreement (the "Maturity Date"), on which date the entire outstanding principal balance hereof shall be paid in full. Each installment of principal payable hereunder shall be equal to the annual Net Cash Flow, as such term is hereinafter defined, for the most recent fiscal year of BDG ending prior to the Principal Payment Date, after deducting therefrom any negative Net Cash Flow from any prior fiscal year which has not previously been deducted from Net Cash Flow, but in no event

shall any such annual installment of principal exceed One Hundred Eighty-Four Thousand Dollars (\$184,000). Subject to the prior written approval of Lender, Borrower shall have the right to pay any annual installment of principal hereof in eight (8) equal monthly installments, beginning on the Principal Payment Date and on the first day of each month thereafter; provided that Lender shall give such approval if Borrower certifies that, due to unforeseen circumstances beyond its control, it does not have sufficient funds available on the Principal Payment Date to pay such installment.

(d) In the event that, as of January 16, 1986, the costs accrued or incurred by BDG and Borrower in connection with the Project, as such term is defined in the Project Loan Agreement (the "Actual Project Cost"), are less than Eleven Million Dollars (\$11,000,000) (the "Budgeted Project Cost"), as shown in a certificate of an independent certified public accountant selected by BDG and delivered to the United States Department of Housing and Urban Development ("HUD") and Lender not later than February 16, 1986, Borrower shall pay to Lender, on or before March 16, 1986, an amount equal to one-half (1/2) of the difference between (i) the Budgeted Project Cost; and (ii) the Actual Project Cost. Notwithstanding any contrary provision hereof, for purposes of computing the amount due Lender pursuant to this Paragraph (d), Budgeted Project Cost shall not be reduced by the Tenant Finish Allowance, as such term is defined in the Project Loan Agreement, for space in the Building not leased to tenants as of January 16, 1986, or by any reduction or distribution of the \$400,000 operating deficit reserve maintained by BDG.

(e) Upon the refinancing (a "Refinancing") of any Priority Mortgage, as such term is defined in the Project Loan Agreement, there shall immediately become due and payable hereunder the difference, if any, between (i) the principal amount of such Refinancing reduced by the amount paid in satisfaction of the Priority Mortgages; and (ii) the costs and expenses of such Refinancing incurred by Borrower and BDG to third parties, including, without limitation, legal fees and expenses, financing fees, prepaid interest, prepayment penalties under the Priority Mortgages, title insurance premiums, surveying costs and expenses and mortgage brokerage commissions.

(f) All accrued and unpaid interest on the outstanding principal balance hereof shall be paid in full on the Maturity Date.

Capitalized terms not otherwise defined herein shall have the meanings set forth in the Project Loan Agreement.

The term "Net Cash Flow" as used herein shall mean the net income derived by BDG from the Building, determined as follows:

(a) Gross Income. The gross income derived from the Building shall be computed for each fiscal year of BDG on a cash basis, in accordance with generally accepted accounting principles consistently applied, and shall include all income received from all sources as a result of the operation of the Building, including all reductions from reserves and all net refunds, rebates or recoveries of items not previously charged or deductible as an expense. Proceeds of any insurance recovery (except rent loss or loss of business income insurance) arising from damage or from any taking of part or all of the Building shall not be included in gross income.

(b) Deductions From the amount of such gross income for such fiscal year, there shall be deducted the aggregate of the following: (1) Fixed Rent payable by BDG under section 4.2.1 of the Ground Lease; (2) Accrued Rent paid by BDG to Borrower pursuant to Sections 11.1, 11.2 or 11.3 of the Ground Lease with the prior written approval of the holder hereof, which approval shall not be unreasonably withheld or delayed; (3) payments by BDG to the holders of the Priority Mortgages of principal, interest and all other sums secured thereby (except any portion of the principal amount thereof voluntarily prepaid by BDG before it is due and payable) and payments by BDG to the holder hereof of interest hereon; (4) real property taxes and betterment assessments with respect to the Building; (5) all reasonable expenses incurred by BDG and Borrower in connection with the operation, maintenance, leasing and management of the Building is operated directly by BDG, an amount equal to the cost of such operation, in either case not to exceed six percent (6%) of gross income and that portion of any leasing commission, not to exceed customary rates then currently paid in the area, payable to BDG or Borrower or their respective affiliates which exceeds their staff and overhead costs attributable to the services performed for such commission; and (6) any and all reserves required under the Ground Lease or by any holder of any Priority Mortgage, or deemed necessary or appropriate by BDG and with the prior written approval of the holder hereof, which approval shall not be unreasonably withheld or delayed, if and to the extent such reserves are funded in cash.

(c) Non-Deductible Amounts. There shall not be deducted from gross income (1) depreciation, depletion, obsolescence or amortization of the cost of, or any value attributed to, the leasehold estate created by the Ground Lease; (2) current cash costs of capital improvements to the Building other than Core and Shell Work and Tenant Finish Work; and (3) reserves not funded in cash.

All sums received by Lender hereunder shall be paid or applied as follows: First, to late charges hereunder; second, to any sum paid by Lender or any other holder hereof on account of any real estate tax, personal property tax, betterment charges, or rates chargeable to, or which are or would become a lien on, the Building and any other sums due to Lender under the Mortgage, as such term is hereinafter defined, except for those sums described in the following clauses of this paragraph; third, to costs of collecting the debt evidenced hereby or preserving the security therefor; fourth, to accrued and unpaid interest hereon; and the balance to the outstanding principal balance hereof.

If any part of the principal of, or interest on, this Promissory Note shall not have been paid within fifteen (15) days from the date the same shall be due, a late charge of three percent (3%) of the amount of principal and interest overdue shall be added to the said amount. In the event of any default hereunder, there shall be added to any unpaid balance due the cost and expenses of collection, including reasonable attorneys' fees.

Borrower shall have the right to prepay this Promissory Note, in whole or in part, at any time and from time to time, without premium or penalty.

The term "Mortgage" as used herein shall mean that certain Mortgage, of even date herewith, by Borrower, as mortgagor, to Lender, as mortgagee, with respect to the Land. The obligations of Borrower hereunder are secured by the Mortgage, the terms and conditions of which are to be kept and performed by Borrower and the same are hereby made a part hereof to the same extent and with the same force and effect as if they were fully set forth herein, and Borrower covenants and agrees to keep and perform them or cause them to be kept and performed strictly in accordance with their terms.

At the option of Lender, the entire outstanding balance of principal hereof and accrued and unpaid interest hereon shall become and be immediately due and payable upon demand following the continuance for ninety (90) days, or for thirty (30) days after receipt by Borrower and BDG of written notice of any failure in the payment of any interest due hereunder; or upon any event of a default as defined in, and subject to the conditions of, Section 20 of the Project Loan Agreement, including notice, grace and cure periods as set forth therein.

The terms of this Promissory Note are subject to the provisions of the Project Loan Agreement with particular reference to the subordination provisions as set forth in Section 21(c) thereof and the same are hereby made a part hereof to the same extent and with the same force and effect as if they were fully set forth herein.

Borrower and any endorsers, sureties and guarantors hereof agree that the liability of each of them shall be unconditional with regard to the liability of any other party, and shall not be in any manner affected by an indulgence, extension of time, renewal, waiver or modification granted or consented to by the Lender.

Borrower and all endorsers, sureties and guarantors hereof consent to any and all extensions of time, renewals, waivers or modifications that may be granted by Lender with respect to the payment or other provisions of this Note, and to the release of the collateral or any part thereof without substitution and agree that additional makers, endorsers, guarantors or sureties may become parties hereto without notice to them and without affecting their liability hereunder.

This Promissory Note is secured by (i) the Mortgage; (ii) a Security Agreement, dated _____, 1984 (the "Security Agreement"), between Borrower, as debtor, and Lender, as secured party; and (iii) a Guaranty of Payment, dated _____, 1984 (the "Guaranty"), by BDG to Lender.

Notwithstanding any contrary provision hereof, the obligations of Borrower hereunder are without recourse to any of the assets of Borrower as a Massachusetts corporation, or of any of its successors or assigns, excepting only the Collateral described in the Security Agreement and the Mortgaged Premises described in the Mortgage. In no event shall Borrower or any of its officers, directors, agents or employees have any personal liability for the payment of any sum of money which is or may become payable by Borrower hereunder, and Lender agrees to look only to the Collateral, the Mortgaged Premises and the Guaranty for any such payment.

This Promissory Note shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.

IN WITNESS WHEREOF, Borrower has caused this Promissory Note to be executed and delivered as a sealed instrument by its duly authorized representative, as of the date first set forth above.

WITNESS:

CHINESE ECONOMIC DEVELOPMENT
COUNCIL, INC.

By: _____

Title: _____

1694B

EXHIBIT E

SECURITY AGREEMENT

Security Agreement, dated _____, 1984 (this "Agreement"), by and between Chinese Economic Development Council, Inc., a Massachusetts non-profit corporation having an address at 31 Beach Street, Boston, Massachusetts 02111 ("Debtor"), and Boston Redevelopment Authority, a Massachusetts public body politic having an address at City Hall, Boston, Massachusetts 02201 ("Secured Party").

In consideration of a loan in the original principal amount of \$1,103,000, made by Secured Party to Debtor in connection with the financing of the rehabilitation of the building located on land owned by Debtor commonly known and numbered as 651-657 Washington Street and 2-22 Boylston Street, Boston, Massachusetts, which loan is evidenced by a Promissory Note, dated _____, 1984 (the "Note"), and secured by (i) a Mortgage, dated _____, 1984 (the "Mortgage"), by Debtor, as mortgagor, to Secured Party, as mortgagee, recorded with the Suffolk Registry of Deeds on _____, 1984 as Instrument No. _____, on premises described therein (the "Mortgaged Premises"), and (ii) a Project Loan Agreement, dated _____, 1984 (the "Project Loan Agreement"), among Debtor, Secured Party, and Boylston Development Group Limited Partnership, a Massachusetts limited partnership ("BDG"), Debtor hereby grants to Secured Party a security interest in the property described below (together with all attachments and additions thereto, substitutions therefor, and replacements thereof, collectively called the "Collateral") to secure the payment and performance of all debts and other obligations, direct or indirect, absolute or contingent, now existing or hereafter owing from Debtor to Secured Party, including without limitation all indebtedness and other obligations from time to time owned by Debtor to Secured Party under the Note, the Mortgage, and the Project Loan Agreement (collectively called the "Obligations").

The Collateral consists of:

1. All fixtures owned by Debtor located at or on the Mortgaged Premises, including but not limited to all gas and electric fixtures, engines and machinery, radiators, oil burners, heaters, furnaces, heating equipment, laundry equipment, steam and hot-water boilers, stove, ranges, bathtubs, sinks, water closets, and furnishings, and all

articles of personal property now or hereafter attached to or used in or about the Project which are necessary to the complete and comfortable use and occupancy of such Project for its intended use and purpose, and all renewals or replacements thereof or articles in substitution therefor, whether or not the same are, or shall be attached to said Project in any manner;

2. All contract rights of Debtor and proceeds thereof which by their terms are assignable or which may be assigned without forfeiture of the rights of Debtor or of any assignee thereunder; and

3. All other properties and assets of Debtor, now owned or hereafter acquired, tangible or intangible, whether or not similar to the foregoing, and including any and all interests therein owned by Debtor, whether located at or about the Mortgaged Premises or at any other place.

Debtor warrants and covenants with Secured Party as follows:

1. Except for the security interest granted hereby and except for prior encumbrances and security interests granted pursuant to the instruments set forth in Exhibit A hereto (the "Permitted Encumbrances"), Debtor is the owner of the Collateral free from any prior lien, security interest or encumbrance and Debtor will defend the Collateral against all claims and demands of all persons at any time claiming the same or any interest therein, except the claims and demands of the holders of the Permitted Encumbrances (the "Priority Parties").

2. Except as permitted hereby or by the Project Loan Agreement, or pursuant to the exercise by BDG of an option to purchase the Mortgaged Premises contained in that certain Ground Lease, dated _____, 1984, between Debtor, as Landlord, and the Boston Industrial Development Financing Authority ("BIDFA"), as tenant, which Ground Lease has been assigned by BIDFA to BDG pursuant to an Assignment and Assumption of Lease, dated _____, 1984, by BIDFA, as assignor, to BDG, as assignee, and has been modified by that certain Addendum to Ground Lease, dated _____, 1984, between Debtor and BDG (the "Ground Lease"), Debtor will not sell, offer to sell or otherwise transfer or encumber the Collateral or any interest therein without the prior written consent of Secured Party. However, nothing herein contained shall limit Debtor's right to incorporate the building materials and other property covered by the Mortgage in, or to use machinery and equipment and tools covered hereby in connection with, the construction on or improvement of the Mortgaged Premises.

3. Except for the financing statements perfecting the security interest created hereby and the financing statements perfecting the interests of the Priority Parties, no financing statement covering any of the Collateral or any proceeds thereof is on file in any public office. Debtor will immediately notify Secured Party in writing at its address set forth herein of any change in Debtor's address from that set forth in this Agreement, and will, upon written demand, furnish to Secured Party such further information and will execute and deliver to Secured Party such further financing statements, mortgages and other instruments, and will do all such acts and things as Secured Party may at any time or from time to time reasonably request and as may be necessary or appropriate to establish and maintain a valid security interest in the Collateral as security for the Obligations.

4. Debtor will at all times keep the Collateral insured against risks of loss or damage by fire (including so-called extended coverage), theft and such other casualties as required by the Project Loan Agreement. Debtor shall furnish Secured Party with certificates of such insurance or other evidence reasonably satisfactory to Secured Party as to compliance with the provisions of this paragraph 4. Secured Party may act as attorney for Debtor in making, adjusting, and settling claims under and cancelling such insurance and endorsing Debtor's name on any drafts drawn by insurers of the Collateral.

5. Except as permitted hereby and by the Project Loan Agreement, Debtor will keep the Collateral free from any adverse lien, security interest or encumbrance and in good order and repair; will not waste or destroy the Collateral or any part thereof; and will not use the Collateral in violation of any applicable statute, ordinance or policy of insurance thereon. Subject to the rights of tenants, subtenants and occupants of the Mortgaged Premises, Secured Party may examine and inspect the Collateral upon reasonable notice and during reasonable business hours wherever located.

6. Subject to its right to contest the same pursuant to the Project Loan Agreement, Debtor will pay promptly when due all taxes and assessments upon the Collateral or for its use or operation or upon this Agreement or any note or notes evidencing any of the Obligations.

7. Debtor will keep the Collateral on the Mortgaged Premises or at its principal place of business.

A default shall be deemed to exist upon the happening of any event of default set forth in the Mortgage or in the Project Loan Agreement, and the expiration of any applicable notice, grace and cure period (an "Event of Default").

Upon an Event of Default or at any time thereafter (such Event of Default not having previously been cured), Secured Party may at its option declare all of the Obligations to be immediately due and payable and shall then have the remedies of a secured party under the Uniform Commercial Code as enacted in Massachusetts, or other applicable law, including, without limitation, the right to take possession of the Collateral. For that purpose Secured Party may, so far as Debtor can give authority, enter upon any premises on which the Collateral or any part thereof may be situated and remove the same. Secured Party may require Debtor to assemble the Collateral and make the Collateral available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to both parties. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Secured Party will give Debtor at least five (5) days prior written notice of the time after which any private sale or any other intended disposition thereof is to be made. Expenses of retaking, holding, preparing for sale, selling, or the like shall include Secured Party's reasonable attorneys' fees and legal expenses. Secured Party may buy the Collateral at any public sale and, if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed price quotations, Secured Party may buy the Collateral at any private sale.

This Agreement and the security interest in the Collateral created hereby shall terminate when the Mortgage has been discharged.

A waiver of any Event of Default hereunder shall not be deemed a waiver of any other or subsequent Event of Default. All remedies herein are cumulative, and any or all thereof may be exercised in lieu of or in addition to any other remedies provided by law or under any other instrument or agreement between Debtor and Secured Party. This Agreement shall inure to the benefit of Secured Party and its successors and assigns, and shall be binding upon Debtor and its successors and assigns.

Until the occurrence of an Event of Default, Debtor shall remain in possession of the Collateral and may use the same in any manner not inconsistent with this Agreement, or with the terms and provisions of any of the Obligations.

This Agreement is subject and subordinate to the Permitted Encumbrances. The rights of Secured Party hereunder are subject and subordinate to the rights of the Priority Parties under such Permitted Encumbrances.

If any provision of this Agreement is inconsistent with any provision of the Project Loan Agreement, or with any provision of any other instrument given to secure the Project Loan Agreement, the provisions of the Project Loan Agreement shall nevertheless be given full force and effect and be controlling over such provisions of this Agreement or such other instrument.

Notwithstanding any contrary provision hereof, the obligations of Debtor hereunder are without recourse to any of the assets of Debtor as a Massachusetts corporation, or any of its successors and assigns excepting only the Collateral and the Mortgaged Premises, and in no event shall Debtor or any of its officers, directors, agents or employees have any personal liability for the payment of any sum of money which may become due from Debtor hereunder and Secured Party agrees to look only to the Collateral, the Mortgaged Premises, and that certain Guaranty of Payment, dated _____, 1984, by BDG to Secured Party, for any such payment.

All notices from Secured Party to Debtor shall be sufficiently given if mailed, postage prepaid, or delivered to Debtor at its address first set forth above.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as a sealed instrument by their respective duly authorized representatives of the date and year first set forth above.

CHINESE ECONOMIC DEVELOPMENT COUNCIL, INC.,
Debtor

By: _____

Title: _____

BOSTON REDEVELOPMENT AUTHORITY,
Secured Party

By: _____
Stephen Coyle, Director

EXHIBIT A

1. The Ground Lease;
2. A Fee Mortgage and Security Agreement dated _____, 1984, by Debtor, as mortgagor, to MIFA, as such term is defined in the Project Loan Agreement, as mortgagee, which Mortgage has been assigned by MIFA to the Trustee, as such term is defined in the Project Loan Agreement, pursuant to a Trust Agreement and Assignment of Security, dated _____, 1984 (the "Assignment");
3. A Leasehold Mortgage and Security Agreement, dated _____, 1984, by BDG, as mortgagor, to MIFA, as mortgagee, which Mortgage has been assigned to the Trustee pursuant to the Assignment;
4. A Credit Facility Mortgage and Security Agreement, dated _____, 1984, by Debtor and BDG, as mortgagors, to the Credit Institutions, as such term is defined in the Project Loan Agreement, as mortgagees;
5. An Additional Advance Mortgage and Security Agreement, dated _____, 1984, by Debtor and BDG, as mortgagors, to the Credit Institutions, as mortgagees;
6. A Prepayment Fee Mortgage and Security Agreement dated _____, 1984, by Debtor, as mortgagor, to MIFA, as mortgagee, which mortgage has been assigned to the Trustee pursuant to the Assignment;
7. A Prepayment Leasehold Mortgage and Security Agreement, dated _____, 1984, by BDG, as mortgagor, to MIFA, as mortgagee, which mortgage has been assigned to the Trustee pursuant to the Assignment; and
8. A Mortgage and Security Agreement, dated _____, 1984, by ~~Debtor and~~ BDG, as mortgagors, to BIDFA, as mortgagee. e

1381B

EXHIBIT F

GUARANTY OF PAYMENT

In order to induce the Boston Redevelopment Authority, a public body politic organized under the laws of Massachusetts (the "BRA") to loan to Chinese Economic Development Council, Inc., a Massachusetts non-profit corporation ("CEDC") the sum of One Million One Hundred Three Thousand Dollars (\$1,103,000) to finance in part, the rehabilitation of the building located on land owned by CEDC and commonly known and numbered as 651-657 Washington Street and 2-22 Boylston Street, Boston, Massachusetts (the "Project") as evidenced by a Promissory Note (the "Note"), Mortgage (the "Mortgage"), Project Loan Agreement (the "Project Loan Agreement") and other documents relating thereto, all as executed on this date by CEDC and the undersigned, the undersigned hereby unconditionally guarantees to the BRA the payment, when due, of any and all sums owed by CEDC to the BRA under the Note and the Mortgage (the "Obligations").

The liability of the undersigned under this Guaranty shall be unaffected by (i) any amendment or modification of the provisions of the Project Loan Agreement, the Note, the Mortgage or any other agreement made to or with the BRA by CEDC and the undersigned; (ii) any extensions of time for performance required thereby; or (iii) the release of CEDC from performance or observance of any of the agreements covenants, terms or conditions contained in any of said instruments by operation of law, whether made with or without notice to the undersigned, and the undersigned hereby covenants that it will cause CEDC to maintain and preserve the enforceability of the instruments aforesaid as the same may be modified and will not permit it to take or to fail to take action of any kind, the taking of which or the failure to take which might be the basis for a claim that the undersigned has any defense to their obligations hereunder other than performance of such obligations in accordance with the terms of the instruments imposing the same.

No delay on the BRA's part in exercising any right, power or privilege under the Project Loan Agreement, the Note, the Mortgage, this Guaranty or any other document executed by CEDC or the undersigned, shall operate as a waiver of any such privilege, power or right, provided only that the BRA shall not default in its obligation to advance funds for which CEDC and the undersigned have qualified pursuant to the Project Loan Agreement.

This Guaranty shall remain in full force and effect until such time as the Obligations have been paid in full.

The BRA shall not be required to pursue or exhaust any of its rights or remedies against CEDC or any other guarantor of any of CEDC's liabilities prior to enforcing this Guaranty, and the undersigned shall have no right of subrogation unless and until all Obligations have been satisfied in full.

All covenants and agreements contained in this Guaranty shall be binding upon the undersigned, its successors and assigns, and shall inure to the benefit of the BRA, its successors and assigns, and shall inure to the benefit of the BRA, its successors and assigns. The undersigned shall be liable for payment of all of the BRA's costs in the enforcement of this Guaranty, including reasonable attorneys' fees.

Notwithstanding any contrary provision hereof, this Guaranty is made without recourse to any general or limited partner of the undersigned. In no event shall any general or limited partner of the undersigned have any personal liability for the payment of any sum of money which is or may become payable hereunder, and the BRA shall look only to the assets of the undersigned for any such payment.

IN WITNESS WHEREOF, the undersigned has caused this Guaranty to be executed and delivered as a sealed instrument by its duly authorized representatives, as of the date and year set forth below.

DATE: October __, 1984

BOYLSTON DEVELOPMENT GROUP
LIMITED PARTNERSHIP

By: _____
Robert H. Yelton, General
Partner

By: _____
Harry M. Standel, General
Partner

By: _____
Lawrence H. Curtis, General
Partner

By: Bay-BDG Corporation, General
Partner

By: _____

Title: _____

EXHIBIT G

GUARANTY OF COMPLETION

In order to induce the Boston Redevelopment Authority, a public body politic organized under the laws of Massachusetts (the "BRA") to loan to Chinese Economic Development Council, Inc., a Massachusetts non-profit corporation ("CEDC") the sum of One Million One Hundred Three Thousand Dollars (\$1,103,000) to finance, in part, the rehabilitation of the building located on land owned by CEDC and commonly known and numbered as 651-657 Washington Street and 2-22 Boylston Street, Boston, Massachusetts (the "Project") as evidenced by a Promissory Note (the "Note"), Mortgage (the "Mortgage"), Project Loan Agreement (the "Project Loan Agreement"), and other documents relating thereto, all as executed on this date by CEDC and the undersigned, the undersigned hereby jointly and severally unconditionally guarantee to the BRA the due performance of all of the construction obligations of CEDC and Boylston Development Group Limited Partnership ("BDG") under the Project Loan Agreement and the Mortgage, including CEDC's and BDG's obligations to complete the Project substantially in accordance with the standards of quality represented in the Plans referred to in Exhibit B of the Project Loan Agreement, free from all liens and claims of mechanics or materialmen.

The liability of the undersigned under this Guaranty shall be unaffected by (i) any amendment or modification of the provisions of the Project Loan Agreement, the Note, the Mortgage or any other agreement made to or with the BRA by CEDC and BDG; (ii) any extensions of time for performance required thereby; or (iii) the release of either or both of CEDC and BDG from performance or observance of any of the agreements, covenants, terms or conditions contained in any of said instruments by operation of law, whether made with or without notice to the undersigned, and the undersigned hereby covenant that they will cause CEDC and BDG to maintain and preserve the enforceability of the instruments aforesaid as the same may be modified and will not permit it to take or to fail to take action of any kind, the taking of which might be the basis for a claim that the undersigned has any defense to their obligations hereunder other than performance of such obligations in accordance with the terms of the instruments imposing the same.

No delay on the BRA's part in exercising any right, power or privilege under the Project Loan Agreement, the Note, the Mortgage, this Guaranty or any other document executed by CEDC, BDG or the undersigned, shall operate as a waiver of any such privilege, power or right, provided only that the BRA shall not default in its obligation to advance funds for which CEDC and BDG have qualified pursuant to the Project Loan Agreement.

EXHIBIT H

Priority Mortgages

1. A Fee Mortgage and Security Agreement, dated _____, 1984, by CEDC, as mortgagor, to MIFA, as mortgagee, which Mortgage has been assigned to the Trustee pursuant to that certain Trust Agreement and Assignment of Security, dated _____, 1984 (the "Assignment");
2. A Leasehold Mortgage and Security Agreement, dated _____, 1984, by BDG, as mortgagor, to MIFA, as mortgagee, which mortgage has been assigned to the Trustee pursuant to the Assignment;
3. A Credit Facility Mortgage and Security Agreement, dated _____, 1984, by CEDC and BDG, as mortgagors, to the Credit Institutions, as mortgagees;
4. An Additional Advance Mortgage and Security Agreement, dated _____, 1984, by CEDC and BDG, as mortgagors, to the Credit Institutions, as mortgagees;
5. A Prepayment Fee Mortgage and Security Agreement, dated _____, 1984, by CEDC, as mortgagor, to MIFA, as mortgagee, which mortgage has been assigned to the Trustee pursuant to the Assignment;
6. A Prepayment Leasehold Mortgage and Security Agreement, dated _____, 1984, by BDG, as mortgagor, to MIFA, as mortgagee, which mortgage has been assigned to the Trustee pursuant to the Assignment; and
7. A Mortgage and Security Agreement, dated _____, 1984, by ~~CEDC~~ and BDG, as mortgagors, to BIDFA, as mortgagee. *e*

0050B

This Guaranty shall remain in full force and effect until such time as the Project Improvements described in the Project Loan Agreement are finally completed as required thereby, and payment in full has been made to all mechanics and materialmen or any mechanic's or materialmen's liens have been bonded to the satisfaction of the BRA.

The BRA shall not be required to pursue or exhaust any of its rights or remedies against CEDC, BDG or any other guarantor of any of CEDC's liabilities prior to enforcing this Guaranty, and the undersigned shall have no right of subrogation unless and until all obligations of CEDC and BDG to the BRA have been satisfied in full.

All covenants and agreements contained in this Guaranty shall be binding upon the undersigned, and their respective successors and assigns, and shall inure to the benefit of the BRA, its successors and assigns, and shall inure to the benefit of the BRA, its successors and assigns. The undersigned shall be liable for payment of all of the BRA's costs in the enforcement of this Guaranty of Completion, including reasonable attorneys' fees.

Notwithstanding anything hereinabove to the contrary, nothing herein shall be construed as creating any liability on the undersigned as to the payment of the debt evidenced by the Note and the undersigned shall not be personally obligated to pay any principal or interest due under the Note.

IN WITNESS WHEREOF, the undersigned have executed and delivered this Guaranty of Completion as a sealed instrument as of the date and year set forth below.

DATE: October __, 1984

Robert H. Yelton

Harry M. Standel

Lawrence H. Curtis

1689B